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IN THE THIRD JUDICIAL DISTRICT COURT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

IN RE FEIHE INTERNATIONAL, INC.
SHAREHOLDER LITIGATION

This Document Relates To:
ALL ACTIONS.

) Lead Case No. 120906911
)
) CLASS ACTION
)
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STIPULATION OF SETTLEMENT

Judge Andrew Stone

THIS STIPULATION OF SETTLEMENT (“Stipulation”) is made by and between (a) plaintiffs Richard Frank, Frederick G. Tobin and Arthur M. Read II, (“Plaintiffs”) and (b) defendants Feihe International, Inc. (“Feihe” or the “Company”) and Morgan Stanley Private Equity Asia III Holdings (Cayman) Ltd (“MSPEA”) (collectively, “Appearing Defendants” and, together with Plaintiffs, “Parties”), the Parties to the action (the “Action”) styled as *In re Feihe International, Inc. Shareholder Litigation*, Lead Case No. 120906911, pending before the Third Judicial District Court, State of Utah (the “Court”). This Stipulation states all of the terms of settlement and resolution of the Action and is intended by the Parties to fully and finally compromise, resolve, discharge and settle the Released Claims, as defined herein, subject to the approval of the Court.

WHEREAS, on October 3, 2012, Feihe received a nonbinding merger proposal (the “Proposal”) from a “buyer group” comprised of Feihe chairman and chief executive officer You-Bin Leng (“Mr. Leng” or the “Chairman”), MSPEA and affiliates of MSPEA. The Proposal sought to acquire all of the outstanding shares of Feihe common stock the group did not own for \$7.40 per share, a price that represented a premium of 21.3% over the Company’s closing price the day prior to the announcement of the Proposal, a premium of 23.5% to the volume-weighted average price during the prior 30 trading days, a premium of 22.7% to the volume-weighted average price during the prior 90 trading days, and a premium of 44.1% to the volume-weighted average price during the prior 180 trading days;

WHEREAS, on October 9, 2012, plaintiff Richard Frank filed a putative class action in this Court against Feihe, the Feihe board of directors, and purported Morgan Stanley affiliates on behalf of himself and all of the Company's public stockholders entitled *Frank v. Feihe International, Inc., et al.*, Case No. 120906911 (the "*Frank Action*"), alleging, among other things, that the individual Defendants named in the *Frank Action* had breached their fiduciary duties in connection with the Proposal and that Feihe and the purported Morgan Stanley affiliates had aided and abetted such breaches of fiduciary duty, and seeking, among other things, an injunction enjoining the Defendants from consummating the merger outlined in the Proposal (the "*Merger*");

WHEREAS, on October 9, 2012, plaintiffs Frederick G. Tobin and Arthur M. Read II filed a putative class action in this Court against Feihe, the Feihe board of directors and an entity identified as Morgan Stanley Private Equity Asia, Inc. on behalf of themselves and all of the Company's public stockholders entitled *Tobin v. Leng*, Case No. 120906914 (the "*Tobin Action*"), alleging, among other things, that the individual Defendants named in the *Tobin Action* had breached their fiduciary duties in connection with the Proposal and that Feihe and Morgan Stanley Private Equity Asia, Inc. had aided and abetted such breaches of fiduciary duty, and seeking, among other things, an injunction enjoining the Defendants from consummating the Merger;

WHEREAS, on October 19, 2012, plaintiff One Horizon Foundation filed a putative class action in this Court against Feihe, the Feihe board of directors and an entity identified as Morgan

Stanley Private Equity Asia, Inc. on behalf of themselves and all of the Company's public stockholders entitled *One Horizon Foundation v. Leng*, Case No. 1209079167 (the "*One Horizon Action*"), alleging, among other things, that the individual Defendants named in the *One Horizon Action* had breached their fiduciary duties in connection with the Proposal and that Feihe and Morgan Stanley Private Equity Asia, Inc. had aided and abetted such breaches of fiduciary duty, and seeking, among other things, an injunction enjoining the Defendants from consummating the Merger;

WHEREAS, on December 7, 2012, the Court consolidated the *Frank Action*, the *Tobin Action* and the *One Horizon Action* into this Action;

WHEREAS, on March 3, 2013, a Special Committee comprised of three of the non-employee members of Feihe's board of directors unanimously voted to recommend that Feihe's board approve the Merger, and Feihe's board, without the participation of directors who were part of the buyer group, subsequently did approve the Merger;

WHEREAS, on March 22, 2013, Feihe filed a preliminary proxy statement on Form 14A with the Securities and Exchange Commission ("SEC") in connection with the shareholder vote on the Merger (the "Preliminary Proxy");

WHEREAS, on April 1, 2013, Plaintiffs filed a Consolidated Amended Complaint for Breach of Fiduciary Duty (the "First Amended Complaint"), which, among other things, repeated the allegations in the initial complaints in the *Frank*, *Tobin* and *One Horizon* Actions, and added allegations that the individual Defendants named in the Action violated their fiduciary

duties by filing a Preliminary Proxy that allegedly omitted or misrepresented material information;

WHEREAS, on April 19, 2013 and May 6, 2013, Feihe filed amended preliminary proxy statements on Form 14A with the SEC in connection with the shareholder vote on the Merger (the “Amended Preliminary Proxies”);

WHEREAS, on numerous occasions throughout April and May of 2013, Appearing Defendants provided Plaintiffs with approximately 16,000 pages of documents, including documents concerning the Feihe board and Special Committee’s approval of the Merger and the written presentations made to the Special Committee by its financial advisor, Oppenheimer & Co., Inc. (“Oppenheimer”), that related to the Merger;

WHEREAS, on May 16, 2013, counsel for Plaintiffs deposed Feihe director and Special Committee member Kirk Gordon Downing, and on May 21, 2013, counsel for Plaintiffs deposed Oppenheimer Managing Director William Yu on topics related to the Proposal and the Merger;

WHEREAS, on May 20, 2013, Feihe filed its definitive proxy statement on Schedule 14A with the SEC in connection with the shareholder vote on the Merger (the “Proxy Statement”);

WHEREAS, on May 24, 2013, Plaintiffs filed a motion for preliminary injunction to prevent the shareholder vote on the Merger from proceeding;

WHEREAS, on June 6, 2013, Appearing Defendants filed oppositions to Plaintiffs’ motion for preliminary injunction;

WHEREAS, on June 6, 2013, Feihe filed a supplement to the Proxy Statement, which included additional information related to Oopenheimer's financial analysis of the Merger, on Form 14A with the SEC in connection with the shareholder vote on the Merger (the "Supplement to the Proxy Statement");

WHEREAS, on June 19, 2013, the Court heard argument and denied Plaintiffs' motion for preliminary injunction;

WHEREAS, on June 26, 2013, a majority of Feihe's unaffiliated shareholders voted to approve the Merger;

WHEREAS, on June 28, 2013, the Merger closed and Feihe's shareholders were paid \$7.40 for each share of Feihe stock they owned;

WHEREAS, on January 22, 2014, Plaintiffs filed a motion for leave to amend their First Amended Complaint and attached as an exhibit thereto a proposed Second Amended Consolidated Complaint for Breach of Fiduciary Duty (the "Second Amended Complaint"), which, among other things, repeated the allegations in the First Amended Complaint and added allegations based on news reports regarding purported government subsidies for the Chinese dairy industry and a purported relationship between Feihe and two other Chinese dairy companies;

WHEREAS, on February 25, 2014, the Court granted Plaintiffs' motion for leave to amend;

WHEREAS, on April 18, 2014, Appearing Defendants filed motions to dismiss Plaintiffs' Second Amended Complaint (the "Motions to Dismiss")

WHEREAS, on June 2, 2014, Plaintiffs filed an opposition to the Motions to Dismiss;

WHEREAS, on August 26, 2014, the Court heard argument and granted the Motions to Dismiss without prejudice and with leave to file a Third Amended Complaint;

WHEREAS, on November 17, 2014, Plaintiffs filed their Third Amended Consolidated Complaint for Breach of Fiduciary Duty (the "Third Amended Complaint"), which, among other things, replied the allegations in the Second Amended Complaint, and included additional allegations regarding purported government subsidies for the Chinese dairy industry and a purported relationship between Feihe and two other Chinese dairy companies;

WHEREAS, Plaintiffs represent to have owned at all relevant times shares of Feihe common stock;

WHEREAS, throughout March and April, 2015, counsel for Plaintiffs' Co-Lead Counsel and counsel for Appearing Defendants engaged in mediation before retired federal judge Layn R. Phillips regarding Plaintiffs' claims in the Action;

WHEREAS, on April 20, 2015, the Parties reached an agreement in principle to settle the Action;

WHEREAS, Plaintiffs, through their counsel, have conducted an investigation and pursued discovery relating to the claims and the underlying events and transactions alleged in the Action; Plaintiffs' Counsel have analyzed the evidence obtained during their investigation and

discovery and have researched the applicable law with respect to the claims asserted in the Action and the potential defenses thereto; the detailed decisions from the Court and extensive litigation record in the Action and the Parties' mediation efforts have provided Plaintiffs' Counsel (as defined below) with a sufficient basis upon which to assess the relative strengths and weaknesses of the Parties' positions in the Action, and Plaintiffs also have retained and consulted with financial advisors in connection with the prosecution of their claims and the negotiation with Defendants' Counsel (as defined below);

WHEREAS, based on their investigation and prosecution of the Action, Plaintiffs and Plaintiffs' Counsel have concluded that the terms and conditions of the Settlement (as defined below) and this Stipulation are fair, reasonable and adequate to, and in the best interests of, the members of the Class (as defined below);

WHEREAS, Appearing Defendants, despite their beliefs that they are not liable for the claims asserted and that they have good defenses thereto, have nevertheless agreed to enter into this Settlement to avoid further expense, inconvenience and the distraction of burdensome and protracted litigation, and to obtain the releases, orders and judgment contemplated by this Settlement, and to put to rest with finality all claims that have been or could have been asserted against Defendants, as more particularly set forth below;

WHEREAS, the Parties recognize that the Action has been filed and prosecuted in good faith and defended by Appearing Defendants in good faith, and that the Parties, through experienced counsel, have negotiated all of the terms and conditions of this Settlement at arm's

length and all terms, conditions, and exhibits in their exact forms are material and necessary to this Settlement and have been relied upon by the Parties;

WHEREAS, Plaintiffs believe that their claims have merit, and are agreeing to the settlement of these claims only because Appearing Defendants have agreed, pursuant to this Stipulation, to the creation of the Settlement Fund (as defined below);

WHEREAS, in connection with settlement discussions and negotiations, counsel for the Parties have not discussed the amount or appropriateness of any potential application by Plaintiffs' Counsel for attorneys' fees prior to executing this Stipulation;

WHEREAS, Appearing Defendants acknowledge that they considered the claims raised by Plaintiffs in the Action in determining to establish the Settlement Fund in exchange for Plaintiffs' agreement to settle the Action, and that the claims asserted by and the efforts of Plaintiffs' Counsel in prosecuting the Action, and the negotiations with Plaintiffs' Counsel, were the sole cause of the creation of the Settlement Fund;

WHEREAS, Appearing Defendants have denied, and continue to deny all allegations of wrongdoing, fault, liability, or damage to Plaintiffs in the Action or to the Class; deny that they breached any fiduciary duties or aided and abetted any such breaches, or engaged in any wrongdoing or violation of law; deny that the Merger consideration was unfair and that there was anything improper about the process by which the Merger was approved; deny that the Preliminary Proxy, the Amended Preliminary Proxies, the Proxy Statement, or the Supplement to the Proxy Statement are in any way misleading or omit material information; believe that they

acted properly at all times; believe that the Preliminary Proxy, the Amended Preliminary Proxies, the Definitive Proxy, and the Supplement to the Proxy Statement accurately disclose all material information in connection with the Merger; believe the Action has no merit; and maintain that they have committed no disclosure violations or any other breach of duty whatsoever in connection with the Merger or any public disclosures, but wish to settle for the reasons set forth herein;

WHEREAS, the Parties recognize the time and expense that would be incurred by further litigation and the uncertainties inherent in such litigation;

WHEREAS, the Parties believe that it is reasonable to pursue the settlement of the Action based upon the procedures and terms outlined herein and the benefits and protections offered hereby, and the Parties wish to document their agreement in this Stipulation; and

WHEREAS, the Parties acknowledge that the settlement of the Action and the entry of a final order of judgment in connection therewith will bar, by the doctrine of *res judicata* or otherwise, claims belonging to all Feihe stockholders arising out of or in any way related to the Merger.

NOW THEREFORE, without any admission or concession on the part of Plaintiffs of any lack of merit of the Action whatsoever, and without any admission or concession of any liability or wrongdoing or any lack of merit in their defenses whatsoever by Appearing Defendants,

IT IS HEREBY STIPULATED AND AGREED, by the Parties to the Action, subject to the approval of the Court and pursuant to Rule 23 of the Utah Rules of Civil Procedure and the

other conditions set forth herein, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Action shall be finally and fully settled, compromised, released and dismissed, on the merits and with prejudice, on the terms set forth below (the “Settlement”):

A. DEFINITIONS

1. In addition to the terms defined above, the following capitalized terms, used in this Stipulation, shall have the meanings specified below:

(a) “Account” means the escrow account which is to be maintained by the Escrow Agents and into which the Settlement Amount shall be deposited.

(b) “Administration Costs” means all costs and expenses associated with providing notice of the Settlement to the Class or otherwise administering or carrying out the terms of the Settlement, including any escrow fees and costs charged by the Escrow Agents, and taxes and tax-related costs relating to the Settlement Fund.

(c) “Barred Claims” means (i) claims and claims over for contribution or indemnity (or any other claim or claim over for contribution or indemnity however denominated on whatsoever theory) arising out of or related to the claims or allegations asserted by Lead Plaintiffs in the Action, or (ii) any other claim of any type, whether arising under state, federal, common or foreign law, for which the injury claimed is the actual or threatened liability of any Person, his insurers, subrogees or assigns, or anyone acting on behalf of any Person, his insurers, subrogees or assigns to Lead Plaintiffs and/or Class Members arising out of or related to the claims or allegations asserted by Lead Plaintiffs in the Action. Notwithstanding the above,

Barred Claims shall not include any claim or right that any person or entity has or may acquire under any insurance policy where they are an insured.

(d) “Claim Form” means the Claim Form and Release attached hereto as Exhibit D.

(e) “Class” means all persons who owned or beneficially held shares of Feihe common stock in the period from and including October 3, 2012 through June 28, 2013, including their legal representatives, heirs, successors in interest, assignees and transferees of such foregoing holders, excepting Defendants in the Action or their family members and any Released Party. In this paragraph, “family members” includes an individual’s spouse, parents, siblings, children, grandparents, grandchildren or other descendants; the spouses of his or her parents, siblings and children; and the parents and siblings of his or her spouse, and includes step and adoptive relationships. In this paragraph, “spouse” shall mean a husband, a wife or a partner in domestic partnership or civil union. For avoidance of doubt, Class includes mutual funds, other pooled vehicles and separately managed investment accounts that primarily invest in publicly traded securities for which Morgan Stanley Investment Management Inc. or its investment advisory affiliates (other than those affiliates that are primarily engaged in investing in private securities) serves as investment adviser or investment manager. The Class shall further exclude any former Feihe shareholder who has perfected dissenters’ rights under Utah law to obtain payment for common stock acquired in the Acquisition, and any purported Class

Member who requests exclusion therefrom in accordance with the requirements set out in the Notice (as defined below).

(f) “Class Member” means a member of the Class.

(g) “Court Approval” means entry of the Judgment (as defined below).

(h) “Defendants” means Appearing Defendants and all other defendants named in the Action, whether or not they were served with process or appeared in the Action.

(i) “Defendants’ Counsel” means:

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| <p>SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP 300 South Grand Avenue, Suite 3400 Los Angeles, CA 90071 Tel.: (213) 687-5000 Fax: (213) 687-5600 Email: eric.waxman@skadden.com</p> <p>One Rodney Square P.O. Box 636 Wilmington, DE 19899-0636 Tel: (302) 651-3000 Fax: (302) 651-3001 Email: paul.lockwood@skadden.com nicole.disalvo@skadden.com</p> <p>SNELL & WILMER L.L.P. 15 W South Temple #1200 Salt Lake City, UT 84101-1531 Tel.: (801) 257-1962 Fax: (801) 257-1800 Email: mlalli@swlaw.com</p> <p><i>Counsel for Defendant Morgan Stanley Private Equity Asia III Holdings (Cayman) Ltd</i></p> | <p>DLA PIPER LLP (US) 701 Fifth Avenue, Suite 7000 Seattle, WA 98104 Tel.: (206) 839-4800 Facsimile: (206) 829-4801 Email: stellman.keehnel@dlapiper.com andrew.escobar@dlapiper.com stephen.hsieh@dlapiper.com</p> <p>RAY QUINNEY & NEBEKER P.C. 36 South State Street, Suite 1400 P.O. Box 45385 Salt Lake City, Utah 84111 Telephone: (801) 532-1500 Facsimile: (801) 532-7543 Email: jjardine@rqn.com jmackay@rqn.com</p> <p><i>Counsel for Defendant Feihe International, Inc.</i></p> |
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(j) “Effective Date” means the first business day following the date the Judgment becomes final and unappealable, whether by affirmance on or exhaustion of any possible appeal, review or reargument to the Utah Supreme Court by lapse of time or otherwise; *provided, however*, that the finality of the Judgment shall not be affected by any appeal or other proceeding regarding solely an application for attorneys’ fees and expenses or approval of any allocation of the Net Settlement Amount.

(k) “Escrow Agents” means Entwistle & Cappucci LLP and Robbins Geller Rudman & Dowd LLP or their successor(s).

(l) “Fee Application” means the application of Plaintiffs’ Counsel to the Court for an award of attorneys’ fees and expenses to be paid solely out of the Settlement Amount.

(m) “Fee Award” means all the fees and expenses awarded by the Court to Plaintiffs’ Counsel.

(n) “Judgment” means the Final Order and Judgment attached hereto as Exhibit F.

(o) “Net Settlement Amount” means the Settlement Fund, less Administration Costs, taxes and any Fee Award.

(p) “Notice” means the Notice of Proposed Settlement of Class Action, Settlement Hearing, and Right to Appear attached hereto as Exhibit C.

(q) “Plaintiffs’ Counsel” means:

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| <p>ENTWISTLE & CAPPUCCI LLP 280 Park Avenue, 26th Floor West New York, NY 10017 Telephone: (212) 894-7200 Facsimile: (212) 894-7272</p> <p>ROBBINS GELLER RUDMAN & DOWD LLP 655 West Broadway, Suite 1900 San Diego, CA 92101 Telephone: (619) 231-1058 Facsimile: (619) 231-7423</p> <p><i>Co-Lead Counsel and Co-Chair of Plaintiffs' Executive Committee</i></p> | <p>WOLF POPPER LLP 845 Third Avenue New York, NY 10022 Telephone: (212) 759-4600 Facsimile: (212) 486-2093</p> <p><i>Member of Plaintiffs' Executive Committee</i></p> <p>ANDERSON & KARRENBURG, P.C. 50 West Broadway, Suite 700 Salt Lake City, UT 84101 Telephone: (801) 534-1700 Facsimile: (801) 364-7697</p> <p>PARR BROWN GEE & LOVELESS, P.C 185 South State Street, Suite 800 Salt Lake City, UT 84111 Telephone: (801) 532-7840 Facsimile: (801) 532- 7750</p> <p><i>Co-Liaison Counsel for Plaintiffs</i></p> |
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(r) "Plaintiffs' Co-Lead Counsel" shall mean the firms Robins Geller Rudman & Dowd LLP and Entwistle & Cappucci LLP.

(s) "Plaintiffs' Counsel" means any firm which has appeared on behalf of Plaintiffs in the Action.

(t) "Released Claims" means any and all claims, causes of action, demands, rights, suits, matters, issues, obligations, expenses, damages, losses, liabilities, or any other matters, including, but not limited to, claims for negligence, gross negligence, professional negligence, breach of duty of care and/or breach of duty of loyalty and/or breach of duty of

candor, fraud, breach of fiduciary duty, mismanagement, corporate waste, malpractice, breach of contract, negligent misrepresentation, violations of any state or federal statutes (including, without limitation, the federal securities laws), rules or regulations, and any Unknown Claims that have been or that could have been asserted in the Action in this or any other forum by or on behalf of the Plaintiffs or Class Members in their capacity as Feihe shareholders that relate to the subject matter of the Action, the Merger, the Merger consideration or process, or the public disclosures concerning the Merger; *provided, however*, that the Released Claims do not include the Plaintiffs' right to enforce in Court the terms of the Stipulation.

(u) "Released Parties" means all defendants named in the Action, whether or not they were served with process or appeared in the Action, along with all of their past, current or future spouses, family members, officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns (including the past, current and future officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns of such related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns),

heirs, executors, personal representatives, estates, and administrators, or any trust of which any defendant is the settlor or which is for the benefit of any defendant and/or member(s) of his or her family.

(v) “Released Defendant Claims” means any claims that have been or could have been asserted in the Action or any forum by Defendants against Plaintiffs, any Class Member, or any of their respective counsel, which arise out of or relate in any way to the institution, prosecution, settlement or dismissal of the Action, including any claims of bad faith or abuse of process against Plaintiffs or Plaintiffs’ Counsel relating to their prosecution of the Action; *provided, however*, that Released Defendant Claims shall not include any claims relating to the enforcement of the Settlement.

(w) “Scheduling Order” means the Scheduling Order attached hereto as Exhibit B.

(x) “Settlement” means the Settlement contemplated by this Stipulation.

(y) “Settlement Administrator” means Gilardi & Co. LLC.

(z) “Settlement Amount” means a total amount of six million, five-hundred thousand dollars in cash (\$6,500,000).

(aa) “Settlement Fund” means the fund consisting of the amounts deposited in the Account.

(bb) “Settlement Funding Date” means the date that is twenty (20) days after entry of the Order preliminarily approving the Settlement.

(cc) “Settlement Hearing” means the hearing to be held by the Court to determine whether to certify the Class pursuant to Rule 23 of the Utah Rules of Civil Procedure, whether the proposed Settlement and proposed Plan of Allocation of Settlement proceeds should be approved as fair, reasonable and adequate, whether all Released Claims should be dismissed with prejudice as against the Released Parties, whether the Judgment approving the Settlement should be entered, and whether and in what amount any award of attorneys’ fees and expenses should be paid to Plaintiffs’ Counsel out of the Settlement Fund.

(dd) “Summary Notice” means the Summary Notice of Pendency and Proposed Settlement of Class Action attached hereto as Exhibit E.

(ee) “Unknown Claims” means any and all claims that Plaintiffs or any Class Member does not know or suspect exists in his, her or its favor at the time of the release of the Released Claims as against the Released Parties, including, without limitation, those which, if known, might have affected the decision to enter into this Settlement, and any and all claims which any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Claims, including without limitation those which, if known, might have affected the decision to enter into this Settlement. With respect to any of the Released Claims and Released Defendant Claims, the Parties stipulate and agree that upon the Effective Date, each Plaintiff and each Defendant shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived, relinquished and released any and all provisions, rights and benefits conferred by or under Cal.

Civ. Code § 1542 or any law of the United States or any state of the United States or territory of the United States or other jurisdiction, or principle of common law that is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Appearing Defendants acknowledge, and the other Class Members by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims and the Released Defendant Claims, but that it is the intention of Plaintiffs and Appearing Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Claims and Released Defendant Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Plaintiffs and Appearing Defendants acknowledge, and the other Class Members and other Released Parties by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of “Released Claims” and in the definition of “Released Defendant Claims” was separately bargained for and was a key element of the Settlement and was relied upon by Plaintiffs and Appearing Defendants in entering into this Stipulation.

B. CLASS CERTIFICATION

1. Solely for purposes of the Settlement and for no other purpose, the Parties stipulate and agree to the conditional certification of the Class on a nationwide basis, to the appointment of Plaintiffs' Co-Lead Counsel as counsel for the Class, and to the approval of Plaintiffs as class representatives.

2. The certification of the Class shall be binding only with respect to this Stipulation. In the event that this Stipulation is terminated pursuant to its terms, is not approved in all material respects by the Court, the Appearing Defendants withdraw from the Settlement pursuant to the terms hereof, the Effective Date does not occur, the Settlement does not otherwise become final for any reason, or any judgment or order entered pursuant hereto is reversed, vacated or modified in any material respect by the Utah Court of Appeals, the Utah Supreme Court or any other court, the certification of the Class shall, except as provided in Section H, be deemed vacated, the Action shall proceed as though the Class had never been certified, and no reference to the certification of the Class, or to the Stipulation or any documents related thereto, shall be made by the Parties for any purpose, except as expressly authorized by the terms of this Stipulation. If any of the foregoing events occur, Appearing Defendants reserve the right to oppose certification of any plaintiff class in any proceeding.

C. SETTLEMENT CONSIDERATION AND SCOPE OF THE SETTLEMENT

1. In consideration for the full and final settlement and dismissal with prejudice of, and the release of, any and all Released Claims, Appearing Defendants shall cause the Settlement

Amount to be paid for the benefit of the Class into the Account as follows: \$6,500,000 shall be paid by wire transfer to the Account on or before the Settlement Funding Date. Notwithstanding anything herein to the contrary, MSPEA and the Defendants other than Feihe shall not be required to fund any portion of the Settlement Amount and any portion of the Settlement Amount paid on behalf of Feihe, MSPEA or the other Defendants shall be paid by Feihe and/or its insurance carriers pursuant to an Agreement that designates Plaintiffs as intended beneficiaries with respect to the obligations of Feihe's insurance carriers to make payments on behalf of Feihe, MSPEA and the other Defendants. No Defendant nor any Released Party shall have any obligation to pay or bear any additional amounts, expenses, costs, damages or fees to, or for the benefit of, Plaintiffs or any Class Members in connection with this Settlement, including, but not limited to, attorneys' fees and expenses for any counsel to any Class Member, or any costs of notice or settlement administration or otherwise, all of which shall be paid out of the Settlement Fund. Notwithstanding the foregoing, the Appearing Defendants' failure to pay the entire Settlement Amount into the Account on or before the Settlement Funding Date shall constitute a material breach of the Settlement Agreement by Appearing Defendants, and Plaintiffs may terminate this Settlement Agreement.

2. Defendants acknowledge that, during the pendency of the Action, certain disclosures were made by Defendants that had the effect of mooted certain disclosure-based claims made by Plaintiffs in the Action (the "Mooting Disclosures"), and Defendants acknowledge, for the purposes of this Settlement, that the pendency of the Action and Plaintiffs'

prosecution thereof was a cause of these Mooting Disclosures. These Mooting Disclosures are set forth in Exhibit A hereto.

3. Pursuant to the Judgment, upon the Effective Date and the occurrence of all of the other events referenced in paragraph E.1 below, the Action shall be dismissed with prejudice, with each party to bear its own costs and expenses, except as otherwise expressly provided in this Stipulation.

4. Pursuant to the Judgment, upon the Effective Date and the occurrence of all of the other events referenced in paragraph E.1 below, Plaintiffs and every Class Member, on behalf of themselves and any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, representatives, trustees, executors, administrators, estates, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under, any of them, and each of them, shall be deemed by operation of law to have fully, finally and forever, released, settled and discharged the Released Parties from and with respect to the Released Claims, and shall forever be barred and enjoined from commencing, instituting or prosecuting any Released Claims against any of the Released Parties.

5. Pursuant to the Judgment, upon the Effective Date and the occurrence of all of the other events referenced in paragraph E.1 below, each of the Defendants, on behalf of themselves and any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, representatives, trustees, executors, administrators, estates, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or

claiming under, any of them, and each of them, and any and all of the other Released Parties, shall be deemed by operation of law to have fully, finally and forever released, settled and discharged each and every one of the Released Defendant Claims, and shall forever be barred and enjoined from commencing, instituting or prosecuting any of the Released Defendant Claims, against Plaintiffs and every Class Member, and all of their respective counsel.

D. SUBMISSION OF THE SETTLEMENT TO THE COURT FOR APPROVAL

1. As soon as practicable after this Stipulation has been executed, Plaintiffs and Appearing Defendants shall jointly apply to the Court for entry of the Scheduling Order substantially in the form attached hereto as Exhibit B, providing for, among other things: (i) the mailing of the Notice substantially in the form attached hereto as Exhibit C and the Claim Form substantially in the form attached hereto as Exhibit D; (ii) the publication of the Summary Notice substantially in the form attached hereto as Exhibit E; and (iii) the scheduling of the Settlement Hearing. At the Settlement Hearing, the Parties shall jointly request that the Judgment be entered substantially in the form attached hereto as Exhibit F.

2. Plaintiffs' Counsel or their designee shall undertake the administrative responsibility for mailing and publishing notice to the Class. The costs and expenses of such notice shall be borne by the Settlement Fund. Prior to the Settlement Hearing, Plaintiffs' Counsel shall file with the Court an appropriate affidavit or declaration with respect to the mailing and publication of notice.

3. After the Notice is given to the Class, the Court shall hold the Settlement Hearing to determine whether to approve the Settlement of the Action as set forth herein.

E. CONDITIONS OF SETTLEMENT

1. This Stipulation shall be subject to the following conditions and, except as provided in Section H, shall be canceled and terminated unless:

(a) the Court enters the Scheduling Order substantially in the form attached hereto as exhibit B;

(b) the Account has been funded by the Settlement Funding Date;

(c) the Court enters the Judgment substantially in the form attached hereto as Exhibit F; and

(d) the Effective Date shall have occurred.

2. Simultaneously herewith, Plaintiffs' Counsel and Defendants' Counsel are executing a Confidential Supplemental Agreement (the "Supplemental Agreement"). The Supplemental Agreement sets forth certain conditions under which Appearing Defendants shall have the unilateral option to terminate the Settlement and render this Stipulation null and void if requests for exclusion from potential Class Members exceed certain agreed-upon criteria (the "Termination Threshold"). The Settling Parties agree to maintain to the extent permitted by law the confidentiality of the Termination Threshold in the Supplemental Agreement which, unless otherwise ordered by the Court, shall not be filed with the Court, but it may be examined *in camera*, if so requested by the Court or otherwise required by court rule.

F. ATTORNEYS' FEES AND EXPENSES

1. The Parties acknowledge and agree that the Fee Award shall be paid from the Settlement Fund and shall reduce the settlement consideration paid to the Class Members accordingly. Appearing Defendants take no position with respect to the Fee Application or the Fee Award, Appearing Defendants shall not have any liability or responsibility for any questions concerning the Fee Application or the Fee Award, and such matters are not the subject of any agreement between Plaintiffs and Appearing Defendants, other than what is set forth in this Stipulation. The Fee Award shall be paid out of the Settlement Fund by the Escrow Agents to Plaintiffs' Co-Lead Counsel (as they so jointly direct) immediately upon the Court issuing an order approving such Fee Award (or an alternative amount), notwithstanding the existence of any timely filed objections to the Fee Award or potential for appeal therefrom; *provided, however*, that in the event that the Fee Award is disapproved, reduced, reversed or otherwise modified, whether on appeal, further proceedings on remand or otherwise, then Plaintiffs' Counsel shall be jointly and severally liable to refund, within ten (10) business days after receiving notice of any such disapproval, reduction, reversal or other modification, to the Account the difference between the attorneys' fees and expenses awarded by the Court in the Fee Award on the one hand, and any attorneys' fees and expenses ultimately and finally awarded on appeal, further proceedings on remand or otherwise on the other hand. The Fee Application shall be the only petition for attorneys' fees and expenses filed by or on behalf of Plaintiffs, any other Class Member, Plaintiffs' Counsel, or counsel for any other Class Member. The disposition of the Fee

Application is not a material term of this Stipulation, and it is not a condition of this Stipulation that such application be granted. The Fee Application may be considered separately from the proposed Settlement. Any disapproval or modification of the Fee Application by the Court or on appeal shall not affect or delay the enforceability of this Stipulation, provide any of the Parties with the right to terminate the Settlement, or affect or delay the binding effect or finality of the Judgment.

G. STAY PENDING COURT APPROVAL

1. Plaintiffs agree to stay the proceedings in the Action and to stay and not to initiate any other proceedings other than those incident to the Settlement itself pending the occurrence of the Effective Date. The Parties' respective deadlines to respond to any filed or served pleadings or discovery requests are extended indefinitely. The Parties also agree to use their reasonable best efforts to prevent, stay or seek dismissal of, or oppose entry of any interim or final relief in favor of, any Class Member in any other litigation against any of the Released Parties that challenges the Settlement or otherwise involves, directly or indirectly, a Released Claim. If a Party terminates the Settlement, the stay shall be lifted within fourteen (14) days.

H. EFFECT OF DISAPPROVAL, CANCELLATION OR TERMINATION

1. If either (i) the Court does not enter the Judgment in substantially the form of Exhibit F, (ii) the Court enters the Judgment, but on or following appellate review the Judgment is modified or reversed in any material respect, or (iii) any other condition of paragraph E.1 is not satisfied, this Stipulation shall be cancelled and terminated unless counsel for each of the

Parties to this Stipulation, within ten (10) business days from receipt of such ruling or event, agrees in writing with counsel for the other Parties to proceed with this Stipulation and Settlement, including only with such modifications, if any, as to which all other Parties in their sole judgment and discretion may agree.

2. If either (i) this Stipulation is canceled or terminated pursuant to its terms, (ii) the conditions to the Settlement set forth in paragraph E.1 are not satisfied, or (iii) the Settlement does not become final for any reason:

(a) The funds in the Account, less any Administration Costs actually incurred and paid or payable, shall be refunded to each of those who made the payments, in the prorated amount that each of those payors paid, within ten (10) business days after such cancellation or termination;

(b) All of the Parties to this Stipulation shall be deemed to have reverted to their respective litigation status as of the date immediately prior to the full execution of this Settlement Agreement, and they shall proceed in all respects as if the Stipulation had not been executed and the related orders had not been entered, and the parties shall use their reasonable best efforts to agree upon and propose to the Court a revised proposed scheduling order; and

(c) Defendants reserve the right to oppose certification of any plaintiff class in any future proceedings (including, but not limited to, in any proceedings in the Action) and Plaintiffs and Plaintiffs' Counsel agree that this Stipulation, and any statements made in connection with the negotiation of this Stipulation, shall not be used nor entitle any Party to

recover any fees, costs or expenses incurred in connection with the Action or in connection with any other litigation or judicial proceeding.

3. In addition, any Party shall have the option to withdraw from this Stipulation, and to render it null and void, if either (i) any objections to the proposed Settlement are sustained and such intervention results in changes to the Stipulation that the withdrawing Party deems in good faith to be material (*e.g.*, because it increases the cost of the settlement or deprives the withdrawing Party of an expressly stated benefit of the settlement), *provided, however*, that any disapproval or modification of the Fee Application by the Court or on appeal shall not be a material event justifying the option to withdraw from this Stipulation; or (ii) the preliminary or final approval of this Stipulation is not obtained without modification not agreed upon by each Party, which the withdrawing Party deems in good faith to be material (*e.g.*, because it increases the cost of the settlement or deprives the withdrawing Party of an expressly stated benefit of the settlement). To withdraw from the Stipulation under this Section, the withdrawing Party must provide written notice to the other Parties' counsel and to the Court. In the event any Party withdraws from the settlement, this Stipulation shall be null and void, shall have no further force and effect with respect to any Party in the Action, and shall not be offered in evidence or used in any litigation for any purpose, including the existence, certification or maintenance of any purported class or Defendants' liability with respect to the claims that were or could have been asserted in the Action. In the event of such withdrawal, this Stipulation and all negotiations, proceedings, documents prepared and statements made in connection herewith shall be without

prejudice to the Parties, and shall not be deemed or construed to be an admission or confession by any Party of any fact, matter or proposition of law, and shall not be used in any manner for any purpose, and all Parties to the Action shall stand in the same position as if this Stipulation had not been negotiated, made or filed with the Court. In such event, any Party may elect to move the Court to vacate any and all orders entered pursuant to the provisions of this Stipulation.

I. TAX TREATMENT

1. The amount in the Account is intended to be a “qualified settlement fund” within the meaning of Treasury Regulation § 1.468B-1, and the Parties shall so treat it, and the Settlement Administrator or any other person so designated by Plaintiffs’ Co-Lead Counsel shall be responsible for filing any required tax returns for the Account and paying from the Account any taxes, including any interest or penalties thereon (the “Taxes”), owed with respect to the Account. In addition, Plaintiffs’ Counsel and their agents, and the Parties, as required, shall do all things that are necessary or advisable to carry out the provisions of this paragraph.

2. All Taxes arising with respect to the Settlement Fund, and any expenses and costs incurred in connection with the payment of Taxes pursuant to this paragraph (including, without limitation, expenses of tax attorneys and/or accountants and mailing, administration, and distribution costs and expenses relating to the filing or the failure to file all necessary or advisable tax returns (the “Tax Expenses”)), shall be paid out of the Settlement Fund. None of Defendants, the Released Parties or the Escrow Agents shall have any liability or responsibility for the Taxes or the Tax Expenses. Plaintiffs’ Counsel or their agents shall timely and properly

file all informational and other tax returns necessary or advisable with respect to the Settlement Fund and the distributions and payments therefrom, including, without limitation, the tax returns described in Treas. Reg. § 1.468B-2(k), and to the extent applicable, Treas. Reg. § 1.468B-2(l). All tax returns shall be consistent with the terms herein and in all events shall reflect that all Taxes shall be paid out of the Settlement Fund. Plaintiffs' Counsel or their agents shall also timely pay any required Taxes and Tax Expenses out of the Settlement Fund, and are authorized to withdraw, without prior consent of the Defendants or order of the Court, from the Account amounts necessary to pay Taxes and Tax Expenses. Appearing Defendants agree to timely provide to Plaintiffs' Counsel the statement described in Treas. Reg. § 1.468B-3(e).

3. Neither Defendants nor any Released Party shall have any responsibility or liability for the acts or omissions of Plaintiffs' Counsel or any of their agents, as described herein. Neither Defendants nor any Released Party shall be liable to Plaintiffs or any Class Member or any attorney, expert, firm, or other person for any damages, attorneys' fees, costs, expenses or assessments of any type, other than as is set forth in this Settlement with regard to payment of the Settlement Amount into the Account.

J. ADMINISTRATION AND DISTRIBUTION OF THE SETTLEMENT FUND

1. Except as provided herein, or pursuant to orders of the Court, the Settlement Fund shall be deemed to be in the custody of the Court, and will remain subject to the jurisdiction of the Court until such time as it is distributed or returned pursuant to the terms of this Stipulation and/or further order of the Court. The Settlement Administrator, under the supervision of

Plaintiffs' Co-Lead Counsel, shall, subject to the direction and approval of the Court, oversee administration and distribution of the Settlement Fund.

2. The Settlement Fund shall be invested in United States Treasury Bills (or a mutual fund invested solely in such instruments) and any interest accrued thereon shall be collected and reinvested in the Account. In the event that the yield on United States Treasury Bills is negative, in lieu of purchasing such Treasury Bills, all or a portion of the funds held in the Account may be deposited in a non-interest bearing account that is fully insured by the United States Government or any agency thereof, including the FDIC.

3. Within ten (10) calendar days after execution of this Stipulation, Feihe shall provide to the Claims Administrator, to the extent available, (i) a list or report of the holders of record of Feihe common stock as of the closing of the Merger containing each holder's name, address and the number of shares owned; (ii) any similar lists or reports identifying the beneficial owners of Feihe common stock whose shares of Feihe common stock were cashed out and cancelled in the Merger; (iii) lists or reports identifying the accounts and number of shares held solely on behalf of or for the benefit of any Defendant or its respective affiliate for its own account(s) (*i.e.*, accounts in which they hold a proprietary or beneficial interest); and (iv) lists or reports identifying any holders of record or beneficial owners of Feihe common stock whose shares were not cashed out and cancelled in the Merger. Each such list and report shall be provided in electronic form suitable to the Claims Administrator to be used solely for the purposes of administering the Settlement Fund.

4. The Released Parties shall have no involvement in, responsibility for or liability relating to (i) the administration of or distributions from the Settlement Fund, or (ii) the determination, calculation or payment of the Net Settlement Amount to Class Members.

5. No Class Member shall have any claims against any Plaintiff, Plaintiffs' Counsel, Defendant, Released Party, the Claims Administrator or any of their counsel, based on distributions made substantially in accordance with this Stipulation and /or orders of the Court.

6. The Net Settlement Amount shall be allocated on a per share basis in accordance with the Plan of Allocation (as defined below) among the Authorized Claimants who submitted to the Claims Administrator valid Proofs of Claim and Release by the deadline provided in the Notice based on the number of shares of Feihe common stock held by each Authorized Claimant. Notwithstanding the foregoing, Plaintiffs' Counsel shall have the discretion, but not the obligation, to accept Proof of Claim and Release forms that are submitted late so long as the distribution of the Net Settlement Amount is not materially delayed thereby, and Plaintiffs' Counsel shall have no liability for declining to accept any such late claim forms.

7. Defendants will take no position with respect to any proposed plan of allocation or such plan as may be approved by the Court. Such plan of allocation is a matter separate and apart from the proposed Settlement and any decision by the Court concerning the plan of allocation shall not affect the validity or finality of the proposed Settlement. No Defendant shall have any responsibility whatsoever for the administration of the Settlement, and no Defendant

shall have any liability whatsoever to any person, including, but not limited to, Plaintiffs and the Class Members, in connection with any such administration.

8. Prior to the Effective Date, Plaintiffs' Counsel may pay from the Account, without further approval from Defendants or further order of the Court, all Administration Costs actually and reasonably incurred. In the event that the Settlement is terminated pursuant to the terms of this Stipulation, any Administration Costs reasonably paid or reasonably incurred pursuant to this paragraph shall not be returned or repaid to those who made the payments.

9. Each Class Member who submits a Proof of Claim and Release shall be deemed to have submitted to the jurisdiction of the Court with respect to such Proof of Claim and Release, and the Proof of Claim is subject to investigation and discovery provided that such investigation and discovery is limited to the Class Member's status as a Class Member and the validity and amount of the Class Member's claim. No discovery shall be allowed on the merits of the Action, or of the Settlement, in connection with the processing of Proof of Claim and Release forms.

10. Each Proof of Claim and Release shall be submitted to and reviewed by the Claims Administrator, who shall determine in accordance with this Stipulation and the approved Plan of Allocation the extent, if any, to which each claim shall be allowed, subject to review by the Court pursuant to paragraph J.12 hereof.

11. A submitted Proof of Claim and Release that does not meet the submission requirements may be rejected. Prior to rejection of a submitted Proof of Claim and Release, the

Claims Administrator shall communicate with the claimant in order to remedy the curable deficiencies in the submitted Proof of Claim and Release. The Claims Administrator shall notify, in a timely fashion and in writing, all claimants whose Proof of Claim and Release it proposes to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of paragraph J.12 hereof.

12. If any claimant whose claim has been rejected in whole or in part desires to contest such rejection, the claimant must, within twenty (20) calendar days after the date of mailing of the notice required in paragraph J.11 hereof, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection, along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a claim cannot be otherwise resolved, Plaintiffs' Counsel shall thereafter present the request for review to the Court;

13. Any Class Member who does not submit a valid Proof of Claim and Release will not be entitled to receive any distribution from the Net Settlement Amount, but otherwise will be bound by all of the terms of this Stipulation, the Settlement and the Judgment, and the releases provided for in this Stipulation and the Judgment, and will be permanently barred and enjoined from bringing any action, claim, or other proceeding of any kind against the Released Parties with respect to the Settled Claims; and

14. The Claims Administrator shall make distributions to Authorized Claimants in the following manner and subject to the following conditions (the “Plan of Allocation”): Each Authorized Claimant shall receive a distribution from the Net Settlement Amount equal to the product of the Net Settlement Amount and a fraction, (a) the numerator of which is the number of shares of Feihe common stock held by such Authorized Claimant at the time of the closing of the Merger (“Authorized Shares”), and (b) the denominator of which is a number representing the total number of Authorized Shares held by all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than ten dollars (\$10.00), and no distribution shall be made prior to the Effective Date.

15. Defendants shall not have a reversionary interest in the Net Settlement Amount. If (whether by reason of tax refunds, uncashed checks, or otherwise) there is any balance remaining in the Net Settlement Amount after six (6) months from the date of the initial distribution made to Authorized Claimants (the “Initial Distribution”), Plaintiffs’ Settlement Counsel shall, if feasible, distribute this balance among the Authorized Claimants who negotiated the checks sent to them in the Initial Distribution and who would receive at least ten dollars (\$10.00) from such redistribution. These distributions shall be repeated until the balance remaining in the Net Settlement Amount is *de minimis*. Thereafter, any balance remaining in the Net Settlement Amount shall be donated to an appropriate nonprofit organization selected by Plaintiffs’ Co-Lead Counsel.

16. Payment pursuant to this Settlement shall be deemed final and conclusive against all Class Members. All Class Members whose claims are not approved by the Court shall be barred from participating in distributions from the Net Settlement Amount, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment.

17. All proceedings with respect to the administration, processing and determination of claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court.

18. No Class Member shall have any claim against Plaintiffs, Plaintiffs' Counsel, Defendants (whether or not they were served with process or appeared in the Action), Defendants' Counsel, the Released parties, the Settlement Administrator, or any of their counsel, based on the distributions made substantially in accordance with this Stipulation and/or orders of the Court.

19. If the Settlement is not consummated for any reason, then the Settlement Fund, less reasonable administrative expenses (not to include the Parties' attorneys' fees), incurred notice expenses and/or taxes, shall be returned to Feihe and/or its insurance carriers.

K. BAR AGAINST CLAIMS FOR CONTRIBUTION

1. The Order and Final Judgment shall contain a Bar Order substantially in the form set forth in Exhibit F that: (a) permanently bars, enjoins, and restrains any person or entity,

including the insurers, subrogees or assigns of any person or entity, or anyone acting on behalf of the insurers, subrogees or assigns of any person or entity, from commencing, prosecuting or asserting any Barred Claims against any of the Released Individual Defendant Parties, whether as claims, cross-claims, counterclaims, third-party claims or otherwise, and whether asserted in the Action or any other proceeding, in the Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere; and (b) permanently bars, enjoins and restrains the Defendants from commencing, prosecuting or asserting any Barred Claims against any person or entity, including the insurers, subrogees or assigns of any person or entity, or anyone acting on behalf of the insurers, subrogees or assigns of any person or entity, whether as claims, cross-claims, counterclaims, third-party claims or otherwise, and whether asserted in the Action or any other proceeding, in the Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere.

2. The Order and Final Judgment shall contain a judgment reduction provision substantially in the form set forth in Exhibit F, providing that any final verdict or judgment that may be obtained by or on behalf of the Class Members against any Person subject to the Bar Order shall be reduced by the greater of: (i) an amount that corresponds to the percentage of responsibility of the respective Defendants for common damages; or (ii) the amount paid by or on behalf of the Defendants to the Class Members for common damages.

L. MISCELLANEOUS PROVISIONS

1. All of the exhibits referred to herein shall be incorporated by reference as though fully set forth herein.

2. This Stipulation may be amended or modified only by a written instrument signed by counsel for all Parties or their successors.

3. The Parties represent and agree that the terms of the Settlement were negotiated at arm's length and in good faith by the Parties, and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel. Plaintiffs and Defendants agree not to assert in any forum that this Action was brought by Plaintiffs or defended by Defendants in bad faith or without a reasonable basis.

4. Each Released Party denies any and all allegations of wrongdoing, fault, liability or damage in the Action. The Parties covenant and agree that neither this Stipulation, nor the fact or any terms of the Settlement, is evidence or an admission or concession by any Party in the Actions, any signatory hereto or any Released Party, of any fault, liability or wrongdoing whatsoever as to any facts or claims alleged or asserted in the Action or any other actions or proceedings. This Stipulation is not a finding or evidence of the validity or invalidity of any claims or defenses in the Action or any wrongdoing by any of the Defendants or any damages or injury to any Class Member. Neither this Stipulation, nor any of the terms and provisions of this Stipulation, nor any of the negotiations or proceedings in connection therewith, nor any of the

documents or statements referred to herein or therein, nor the Settlement, nor the fact of the Settlement, nor the settlement proceedings, nor any statements in connection therewith, shall (i) be argued to be, used or construed as, offered or received in evidence as, or otherwise constitute an admission, concession, presumption, proof, evidence, or a finding of any liability, fault, wrongdoing, injury or damages, or of any wrongful conduct, acts or omissions on the part of any of the Released Parties, or of any infirmity of any defense, or of any damage to Plaintiffs or any Class Member, or otherwise be used to create or give rise to any inference or presumption against any of the Released Parties concerning any fact alleged or that could have been alleged, or any claim asserted or that could have been asserted in the Actions, or of any purported liability, fault, or wrongdoing of the Released Parties or of any injury or damages to any person or entity; or (ii) otherwise be admissible, referred to or used in any proceeding of any nature, for any purpose whatsoever; *provided, however*, that the Stipulation and/or Judgment may be introduced in any proceeding, whether in the Court or otherwise, as may be necessary to argue that the Stipulation and/or Judgment has *res judicata*, collateral estoppel, or other issue or claim preclusion effect or to otherwise consummate or enforce the Settlement and/or Judgment.

5. In light of the discovery obtained in connection with Plaintiffs' Motion for Preliminary Injunction, the Parties will not engage in further discovery to confirm the adequacy of the Settlement.

6. To the extent permitted by law, all agreements made and orders entered during the course of the Action relating to the confidentiality of documents or information shall survive this Stipulation.

7. Plaintiffs' Counsel agrees that within sixty (60) days following the Effective Date, they will return to all producing parties all nonpublic discovery material obtained from such producing party, including all documents produced by any of the Defendants (including, without limitation, their employees, affiliates, agents, representatives, attorneys and third party advisors) and any materials containing or reflecting discovery material (herein "Discovery Material"), or certify in writing upon written request by the producing party that such Discovery Material has been destroyed; *provided, however*, that Plaintiffs' Counsel shall be entitled to retain all filings, court papers, transcripts and attorney work product containing or reflecting Discovery Material, subject to the requirement that Plaintiffs' Counsel shall not disclose any Discovery Material contained or referenced in such materials to any person except pursuant to Court order or agreement with Defendants. The Parties agree to submit to the Court any dispute concerning the return or destruction of Discovery Material.

8. The waiver by any Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent breach of any provision of this Stipulation by any other Party.

9. This Stipulation and its exhibits constitute the entire agreement between the Plaintiffs on the one hand, and the Defendants on the other hand, and supersede any prior

agreements between Plaintiffs on the one hand, and Defendants on the other hand, with respect to the subject matter hereof. No representations, warranties or inducements have been made or relied upon by any Party concerning this Stipulation or its exhibits, other than the representations, warranties and covenants expressly set forth in such documents.

10. This Stipulation may be executed in one or more counterparts, including by facsimile and electronic mail.

11. This Stipulation shall be deemed to have been executed upon the last date of execution by all of the undersigned.

12. The Parties and their respective counsel of record agree that they will use their reasonable best efforts to obtain all necessary approvals of the Court required by this Stipulation (including, but not limited to, using their reasonable best efforts to resolve any objections raised to the Settlement).

13. Plaintiffs and Plaintiffs' Counsel represent and warrant that Plaintiffs are Class Members and that none of Plaintiffs' claims or causes of action referred to in this Stipulation have been assigned, encumbered or otherwise transferred in any manner in whole or in part.

14. Each counsel signing this Stipulation represents and warrants that such counsel has been duly empowered and authorized to sign this Stipulation on behalf of his or her clients.

15. This Stipulation shall be binding upon and shall inure to the benefit of the Parties and the Class (and in the case of the releases, all Released Parties) and the respective legal representatives, heir, executors, administrators, transferees, successors, and assigns of all such

foregoing persons or entities and upon any corporation, partnership, or other entity into or with which any party may merge, consolidate or reorganize.

16. In the event any one of the provisions contained in this Stipulation shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect other provisions if Plaintiffs' Counsel and Defendants' Counsel, on behalf of the Parties, mutually elect to proceed as if such invalid, illegal or unenforceable provision had never been included in this Stipulation.

17. The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of this Stipulation, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in this Stipulation.

IN WITNESS WHEREOF, the Parties intending to be legally bound, have caused this Stipulation to be executed and delivered by their duly authorized attorneys dated May 27, 2015.

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| ENTWISTLE & CAPPUCCI LLP <u>/s/ Vincent Cappucci</u> VINCENT CAPPUCCI ARTHUR NEALON JORDAN A. CORTEZ 280 Park Avenue, 26th Floor West New York, NY 10017 Telephone: (212) 894-7200 Facsimile: (212) 894-7272 | WOLF POPPER LLP <u>/s/ Carl L. Stine</u> CARL L. STINE 845 Third Avenue New York, NY 10022 Telephone: (212) 759-4600 Facsimile: (212) 486-2093 <i>Member of the Plaintiffs' Executive Committee</i> |
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| <p>ROBBINS GELLER RUDMAN & DOWD LLP</p> <p><u>/s/ Randall J. Baron</u> RANDALL J. BARON ELLEN GUSIKOFF STEWART A. RICK ATWOOD, JR. DAVID T. WISSBROECKER EDWARD M. GERGOSIAN EUN JIN LEE 655 West Broadway, Suite 1900 San Diego, CA 92101 Telephone: (619) 231-1058 Facsimile: (619) 231-7423</p> <p><i>Co-Lead Counsel and Co-Chair of Plaintiffs' Executive Committee</i></p> | <p>ANDERSON & KARRENBURG, P.C.</p> <p><u>/s/ Jon V. Harper</u> JON V. HARPER 50 West Broadway, Suite 700 Salt Lake City, UT 84101 Telephone: (801) 534-1700 Facsimile: (801) 364-7697</p> <p>PARR BROWN GEE & LOVELESS, P.C</p> <p><u>/s/ Robert S. Clark</u> ROBERT S. CLARK TIMOTHY B. SMITH 185 South State Street, Suite 800 Salt Lake City, UT 84111 Telephone: (801) 532-7840 Facsimile: (801) 532- 7750</p> <p><i>Co-Liaison Counsel for Plaintiffs</i></p> |
| <p>SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP</p> <p><u>/s/ Eric S. Waxman</u> ERIC S. WAXMAN 300 South Grand Avenue, Suite 3400 Los Angeles, CA 90071 Tel.: (213) 687-5000 Fax: (213) 687-5600 Email: eric.waxman@skadden.com</p> <p>PAUL J. LOCKWOOD NICOLE A. DISALVO One Rodney Square P.O. Box 636 Wilmington, DE 19899-0636 Tel: (302) 651-3000 Fax: (302) 651-3001</p> | <p>DLA PIPER LLP (US)</p> <p><u>/s/ Stellman Keehnel</u> STELLMAN KEEHNEL ANDREW ESCOBAR STEPHEN HSIEH 701 Fifth Avenue, Suite 7000 Seattle, WA 98104 Tel.: (206) 839-4800 Facsimile: (206) 829-4801 Email: stellman.keehnel@dlapiper.com andrew.escobar@dlapiper.com stephen.hsieh@dlapiper.com</p> |

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| <p>Email: paul.lockwood@skadden.com nicole.disalvo@skadden.com</p> <p>SNELL & WILMER L.L.P.</p> <p><u>/s/ Matthew L. Lalli</u> MATTHEW L. LALLI 15 W South Temple #1200 Salt Lake City, UT 84101-1531 Tel.: (801) 257-1962 Fax: (801) 257-1800 Email: mlalli@swlaw.com</p> <p><i>Counsel for Defendant Morgan Stanley Private Equity Asia III Holdings (Cayman) Ltd</i></p> | <p>RAY QUINNEY & NEBEKER P.C.</p> <p><u>/s/ James S. Jardine</u> JAMES S. JARDINE JOHN W. MACKAY 36 South State Street, Suite 1400 P.O. Box 45385 Salt Lake City, Utah 84111 Telephone: (801) 532-1500 Facsimile: (801) 532-7543 Email: jjardine@rqn.com jmackay@rqn.com</p> <p><i>Counsel for Defendant Feihe International, Inc.</i></p> |
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the above and foregoing was served on this 27th day of May, 2015, by electronic transmission via the Court's notification system on the following:

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| James S. Jardine John W. Mackay RAY QUINNEY & NEBEKER P.C. 36 South State Street, Suite 1400 P.O. Box 45385 Salt Lake City, UT 84145-0385 | Stellman Keehnel Andrew R. Escobar Stephen Hsieh DLA PIPER LLP (US) 701 Fifth Avenue, Suite 7000 Seattle, WA 98104 |
| Jon V. Harper ANDERSON & KARRENBERG 50 West Broadway, Suite 700 Salt Lake City, UT 84101 | Timothy B. Smith Robert S. Clark PARR BROWN GEE & LOVELESS, P.C. 185 South State Street, Suite 800 Salt Lake City, UT 84111 |
| Vincent R. Cappucci Arthur V. Nealon Evan T. Raciti Alexander Schlow ENTWISTLE & CAPPUCCI LLP 280 Park Avenue, 26th Floor West New York, NY 10017 | Randall J. Baron Ellen Gusikoff Stewart A. Rick Atwood, Jr. David T. Wissbroecker Edward M. Gergosian Eun Jin Lee ROBBINS GELLER RUDMAN & DOWD LLP 655 West Broadway, Suite 1900 San Diego, CA 92101 |
| Carl L. Stine WOLF POPPER LLP 845 Third Avenue New York, NY 10022 | |

/s/ Matthew L. Lalli

EXHIBIT A

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 14A
(RULE 14A-101)**

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

FEIHE INTERNATIONAL, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock, par value \$0.001 per share, of Feihe International, Inc.

(2) Aggregate number of securities to which transaction applies:

11,617,166 shares of common stock, calculated as the sum of (A) 11,605,166 shares of common stock issued and outstanding as of May 20, 2013 subject to the transaction (consisting of 19,784,291 shares of common stock outstanding as of May 20, 2013 minus 8,179,125 shares of common stock held by Mr. You-Bin Leng, Mr. Sheng-Hui Liu and Mr. Hua Liu (collectively, the "Rollover Holders")), and (B) 12,000 shares of common stock underlying outstanding options as of May 20, 2013 (consisting of the 48,000 shares of common stock underlying outstanding options with an exercise price below \$7.40 per share as of May 20, 2013 minus 36,000 shares of common stock underlying outstanding options held by the Rollover Holders*).

*** Shares of common stock and options to purchase shares of common stock held by the Rollover Holders are all being contributed to Platinum Infant Formula Holding Limited immediately prior to the consummation of the merger and will be cancelled at the effective time of the merger for no consideration thereon.**

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

The proposed maximum aggregate value of the transaction for purposes of calculating the filing fee is \$85,880,028.40. The maximum aggregate value of the transaction was calculated based upon the sum of (A) 11,605,166 shares of common stock issued and outstanding as of May 20, 2013 subject to the transaction (consisting of 19,784,291 shares of common stock outstanding as of May 20, 2013 minus the 8,179,125 shares of common stock held by the Rollover Holders) multiplied by \$7.40 per share merger consideration, and (B) 12,000 shares of common stock underlying outstanding options as of May 20, 2013 (consisting of the 48,000 shares of common stock underlying outstanding options with an exercise price below \$7.40 per share as of May 20, 2013 minus 36,000 shares of common stock underlying outstanding options held by the Rollover Holders) multiplied by \$0.15 per share (which is the difference between the \$7.40 per share merger consideration and the weighted average exercise price of such options of \$7.25 per share). The filing fee equals the product of 0.00013640 multiplied by the maximum aggregate value of the transaction.

(4) Proposed maximum aggregate value of transaction: \$85,880,028.40

(5) Total fee paid: \$11,714.04

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing:

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing party:

(4) Date Filed:



FEIHE INTERNATIONAL, INC.

**Star City International Building, 10 Jiuxianqiao Road, C-16th Floor
Chaoyang District, Beijing, China 100016**

**SUPPLEMENT TO PROXY STATEMENT
FOR SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 26, 2013**

The date of this Supplement is June 6, 2013

On May 20, 2013, Feihe International, Inc. (the “Company”) filed a definitive proxy statement (the “Definitive Proxy Statement”) relating to the proposed merger pursuant to the Agreement and Plan of Merger, dated as of March 3, 2013 (the “merger agreement”), by and among the Company, Diamond Infant Formula Holding Limited, Platinum Infant Formula Holding Limited, and Infant Formula Merger Sub Holding Inc. As previously disclosed, the special meeting of shareholders at which the merger and certain other proposals will be voted upon will be held on June 26, 2013, at 10:30 a.m. (Beijing time), at Star City International Building, 10 Jiuxianqiao Road, C-16th Floor, Chaoyang District, Beijing, China, 100016. The record date for determining shareholders of the Company entitled to vote at the special meeting has been fixed as the close of business on May 20, 2013.

The purpose of this Supplement is to make certain supplemental disclosure to the Definitive Proxy Statement in respect of the opinion of Oppenheimer & Co. Inc., the financial advisor to the special committee of Company.

The following information supplements, and should be read in conjunction with, the Definitive Proxy Statement and the documents incorporated therein by reference. Capitalized terms used but not defined in this Supplement have the respective meanings ascribed to them in the Definitive Proxy Statement.

Opinion of Oppenheimer, the Special Committee's Financial Advisor

The following disclosure is inserted after the first full paragraph on page 43 of the Definitive Proxy Statement as new paragraphs:

In performing its analyses with respect to the Company, Oppenheimer did not assign value to the receivables associated with the Equity Purchase Agreement (the "Equity Purchase Agreement") that the Company entered into on August 1, 2011 with Haerbin City Ruixinda Investment Company Ltd. ("Haerbin"). Pursuant to the Equity Purchase Agreement, on October 31, 2011 the Company completed its sale of all of the equity interests of its prior subsidiaries Heilongjiang Feihe Kedong Feedlots Co., Limited and Heilongjiang Feihe Gannan Feedlots Co., Limited (collectively the "Dairy Farms") to Haerbin for an aggregate purchase price of approximately \$133.1 million. This aggregate purchase price included approximately \$18 million in cash paid upon the completion of the sale. The remaining purchase price was to be satisfied by the delivery to the Company, in six quarterly installments, each quarter for a period of 18 months following September 30, 2011, of raw milk with an aggregate value of approximately \$115.1 million from the Dairy Farms, or approximately \$19 million per quarter (the "Supply Obligations"). In the event the raw milk production of the Dairy Farms was insufficient to fulfill such quarterly amounts, the shortfall was to be settled in cash.

By the second quarter of 2012, Haerbin had paid significantly below the amounts required under the Equity Purchase Agreement, and Haerbin requested to restructure the payment arrangements given its financial circumstances.

On July 31, 2012, the Company entered into a supplemental agreement to modify the repayment schedule of the Supply Obligations, such that the payments owed by Haerbin in the second and third 2012 quarterly installments would be paid prior to December 31, 2012. During the remainder of 2012, the quarterly payments were significantly below the amounts required under the supplemental agreement, and Haerbin again requested to restructure the payment arrangements given its financial circumstances.

On December 31, 2012, the Company entered into a supplemental agreement to modify the repayment schedule, pursuant to which Haerbin agreed to repay approximately \$32.1 million in cash in April 2013, with the residual amount of the purchase price to be paid by the delivery of raw milk during the three quarters ending December 31, 2013. In the first quarter of 2013, the Company received significantly below the amounts required under the supplemental agreement, and Haerbin again requested to restructure the payment arrangements given its financial circumstances.

On April 25, 2013, a further supplemental agreement was entered into, pursuant to which Haerbin agreed to repay a total of \$16.1 million in each of the second, third, and fourth quarters of 2013 in raw milk, with the remaining balance of \$27.6 million to be repaid by the first quarter of 2014.

The receivables associated with the Supply Obligation were reflected in the financial projections provided to Oppenheimer by the Company's management on January 24, 2013. In these projections, management forecasted that the repayment term for the receivable would extend beyond the initial payment due date. The projections management provided to Oppenheimer recorded the Supply Obligation as a current asset of the Company on its balance sheet, because the contractual payment period at the time called for payment within the year. A fairness opinion may not take into account all variables or all factors, and the non-inclusion of a given variable or factor will generally not affect a fairness analysis when the variable or factor is not a driver of meaningful value. Moreover, in providing a fairness opinion, a financial advisor does not typically perform an independent verification or investigation of financial information provided to it in connection with its analyses. Oppenheimer did not factor the Supply Obligation into its analysis, nor did Oppenheimer undertake any independent investigation as to Haerbin's past failures to make payments/deliveries pursuant to the Supply Obligation.

PROXIES

This Supplement is dated June 6, 2013 and is first being mailed to shareholders on or about June 10, 2013.

If you have any questions, require assistance with voting your proxy card, or need additional copies of proxy material, please call Innisfree M&A Incorporated at 1-888-750-5834 (toll-free from the US and Canada) or 1-412-232-3651 (from other countries). Institutional holders and banks and brokers may call collect at 1-212-750-5833.

EXHIBIT B

The Parties to the above-captioned Action (the “Action”) having applied pursuant to Rule 23 of the Utah Rules of Civil Procedure for an order approving the proposed settlement of the Action in accordance with the Stipulation of Settlement, entered into by the Parties on May 27, 2015 (the “Stipulation”), and for dismissal of the Action on the merits with prejudice upon the terms and conditions set forth in the Stipulation (the “Settlement”); the Stipulation contemplating certification by this Court of a class of stockholders of Feihe International, Inc. (“Feihe”) in the Action; the Court having read and considered the Stipulation and Exhibits; and all Parties having consented to the entry of this Order;

NOW, THEREFORE, this ____ day of _____, 2015, upon application of the Parties, **IT IS HEREBY ORDERED** that:

1. Except for terms defined herein, the Court adopts and incorporates the definitions in the Stipulation for purposes of this Order.
2. For purposes of this Settlement only, the Action shall be preliminarily maintained as a class action, pursuant to Rule 23 of the Utah Rules of Civil Procedure, on behalf of a class consisting of:

All persons who owned or beneficially held shares of Feihe common stock in the period from and including October 3, 2012 through June 28, 2013, including their legal representatives, heirs, successors in interest, assignees, and transferees of such foregoing holders, excepting Defendants in the Action or their family members and any Released Party. In this paragraph, “family members” includes an individual’s spouse, parents, siblings, children, grandparents, grandchildren, or other descendants; the spouses of his or her parents, siblings and children; and the parents and siblings of his or her spouse, and includes step and adoptive relationships. In this paragraph, “spouse” shall mean a husband, a wife, or a partner in domestic partnership or civil union. For avoidance of doubt, Class includes mutual funds, other pooled vehicles and separately managed investment

accounts that primarily invest in publicly traded securities for which Morgan Stanley Investment Management Inc. or its investment advisory affiliates (other than those affiliates that are primarily engaged in investing in private securities) serves as investment adviser or investment manager. The Class shall further exclude any former Feihe shareholder who has perfected dissenters' rights under Utah law to obtain payment for common stock acquired in the Acquisition, and any purported Class Member who requests exclusion therefrom in accordance with the requirements set out in the Notice.

3. The Court finds that the requirements of Utah Rule of Civil Procedure 23(a) and (b)(3) have been met in that:

a. the members of the Class ("Class Members") are so numerous that joinder of all Class Members is impracticable;

b. there are questions of law and fact common to the Class;

c. Plaintiffs' claims are typical of the Class;

d. Plaintiffs will fairly and adequately represent the Class for purposes of the Settlement;

e. questions of law and fact common to the Class Members predominate over any questions affecting only individual Class Members; and

f. a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

4. The Court preliminarily certifies the Plaintiffs Richard Frank, Frederick G. Tobin, and Arthur M. Read II as the representative of the Class.

5. The law firms of Entwistle & Cappucci LLP, Robbins Geller Rudman & Dowd LLP, Wolf Popper LLP, Anderson & Karrenburg, P.C., and Parr Brown Gee & Loveless, P.C. are preliminarily certified as Class counsel (“Class Counsel”).

6. The hearing to review the Settlement (the “Settlement Hearing”) shall be held on _____, 2015, at _____ .m., at the Court’s chambers, 450 South State Street, Salt Lake City, Utah 84114 to:

a. determine whether the Settlement should be approved by the Court as fair, reasonable, adequate and in the best interest of the Class;

b. determine whether a Final Order and Judgment (the “Final Order”) should be entered pursuant to the Stipulation (i) approving the Settlement Amount; (ii) unconditionally certifying the Class; (iii) providing for the full and complete discharge, dismissal with prejudice on the merits, settlement and release of all Released Claims; (iv) approving the allocation of the Settlement Fund among the members of the Class; and (v) considering Plaintiffs’ Counsel’s application for an award of attorney’s fees and expenses;

c. hear and determine any objections to the Settlement or plan of allocation of settlement proceeds or the application of Plaintiffs’ Counsel for an award of attorneys’ fees and expenses; and

d. rule on such other matters as the Court may deem appropriate.

7. The Court reserves the right to adjourn the Settlement Hearing or any adjournment thereof, without further notice of any kind other than oral announcement at the

Settlement Hearing or any adjournment thereof, and retains jurisdiction over this Action to consider all further applications arising out of or connected with the proposed Settlement.

8. The Court reserves the right, without further notice to the Class, to approve the Settlement at or after the Settlement Hearing with such modification(s) as the Parties to the Stipulation may consent to, and to enter a Final Order, and order the payment of attorneys' fees and expenses.

9. The Court appoints Gilardi & Co. LLC (the "Settlement Administrator") to administer the notice procedure under the supervision of Class Counsel, as more fully set forth below.

10. No later than ten (10) business days after the entry of this Order (the "Notice Date") and at least forty-five (45) days before the Settlement Hearing, the Settlement Administrator shall cause a copy of the Notice, substantially in the form attached as Exhibit C to the Stipulation, and the Claim Form, substantially in the form attached as Exhibit D to the Stipulation, to be mailed by first-class mail or more expedient means to all former stockholders of Feihe who were record holders between October 3, 2012 and June 28, 2013, at their last known address appearing in records maintained by or on behalf of Feihe, or who otherwise may be identified through further reasonable effort.

11. No later than five (5) business days after the Notice Date, the Settlement Administrator shall cause the Summary Notice, substantially in the form attached as Exhibit E to the Stipulation, to be transmitted once over the PR Newswire service.

12. The Notice, Stipulation, and Court Orders concerning the Settlement shall be posted on a Feihe Settlement Website identified in the Notice to be created by the Settlement Administrator.

13. All reasonable costs and expenses incurred in providing such notice to the Class as provided for in paragraphs 10 through 12 shall be paid as provided in the Stipulation.

14. The Settlement Administrator shall ask record owners who were not also the beneficial owners of the common stock of Feihe during the Class Period to forward the Notice to the beneficial owners of those shares. The Settlement Administrator shall use reasonable efforts to give notice to such beneficial owners by (i) making additional copies of the Notice available to any record holder who, prior to the Settlement Hearing, requests the same for distribution to beneficial owners, or (ii) mailing additional copies of the Notice to beneficial owners as reasonably requested by record holders who provide names and addresses for such beneficial owners.

15. The form and method of notice specified herein is the best notice practicable and shall constitute due and sufficient notice of the Settlement Hearing to all persons entitled to receive such a notice, and fully satisfies the requirements of due process, Rule 23 of the Utah Rules of Civil Procedure, and applicable law. Class Counsel shall, no less than ten (10) business days before the Settlement Hearing directed herein, file with the Court an appropriate affidavit with respect to the preparation and mailing of the Notice to the Settlement Class and the publication of the Notice pursuant to paragraphs 10 and 11 herein.

16. Class Members who wish to participate in the Settlement and to be eligible to receive a distribution from the proceeds of the Settlement must complete and submit a claim form in accordance with the instructions contained therein. Unless the Court orders otherwise, all claim forms must be postmarked no later than one-hundred and twenty (120) calendar days after the Notice Date. Notwithstanding the foregoing, Class Counsel may, at their discretion, accept for processing late Claims, provided such acceptance does not delay the distribution of the Net Settlement Amount to the Class. By submitting a Claim Form, a Person shall be deemed to have submitted to the jurisdiction of the Court with respect to its/her/his Claim and the subject matter of the Settlement.

17. Each Claim Form submitted must satisfy the following conditions, unless otherwise ordered by the Court: (i) it must be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding paragraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by Class Counsel; (iii) if the person executing the claim form is acting in a representative capacity, a certification of its/her/his current authority to act on behalf of the Class Member must be included in the claim form to the satisfaction Class Counsel or the Settlement Administrator; and (iv) the Claim Form must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

18. Any Class Member (except Persons who request exclusion pursuant to paragraph 21 below and satisfy the terms thereof) who does not timely and validly submit a Claim Form, or whose Claim Form is rejected or otherwise not approved by the Court (regardless of whether such person: (i) actually submits a Claim Form, (ii) seeks or obtains a distribution from the Net Settlement Amount, or (iii) is entitled to receive such a distribution under the plan of allocation approved by the Court) shall be: (a) deemed to have waived its/her/his right to share in the Settlement Fund; (b) forever be barred from participating in distributions from the Net Settlement Amount; (c) bound by all of the terms and provisions of the Stipulation and the Settlement and all proceedings, determinations, judgments and orders in the Action relating thereto, including without limitation the terms of the Judgment to be entered in the Action and the releases provided for therein; and (d) permanently barred and enjoined from commencing, maintaining, prosecuting or bringing any of the Released Claims against any of the Released Parties.

19. All proceedings in the Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of this Court. Pending the Court's determination as to final approval of the Settlement, Plaintiffs, Class Counsel, and all members of the Class, or any of them, are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any other Action to the extent it asserts any Released Claim against any of the Released Parties.

20. Any member of the Class may enter an acceptance in the Action, at his, her, or its own expense, individually or through counsel of their own choice. If they do not enter an appearance, they will be represented by Class Counsel.

21. Any Person falling within the definition of the Class may, upon request, be excluded from or “opt-out” of the Class. Any such Person must submit to the Claims Administrator a request for exclusion (“Request for Exclusion”), by first-class mail, or hand-delivered such that it is received no later than fourteen (14) calendar days before the Settlement Hearing. A Request for Exclusion must be signed and state (i) the name, address, and telephone number of the Person requesting exclusion; (ii) the Person’s holdings in Feihe common stock between October 3, 2012 and June 28, 2013, inclusive; and (iii) that the Person wishes to be excluded from the Class. All Persons who submit valid and timely Requests for Exclusion in the manner set forth in this paragraph shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Amount, and shall not be bound by the Stipulation or any final judgment.

22. Class Counsel shall cause to be provided to Defendants’ Counsel copies of all Requests for Exclusion, and any written revocation of Requests for Exclusion, as expeditiously as possible and in any event not fewer than seven (7) calendar days prior to the Settlement Hearing.

23. Class Counsel shall file and serve their brief in support of the Settlement and their application for attorneys’ fees and expenses, and any supporting documents, twenty-one (21) days before the Settlement Hearing.

24. Any Class Member who objects to the Settlement, the Final Order to be entered in the Action, the plan of allocation and/or Plaintiffs' Counsel's application for attorneys' fees and expenses, must, no later than fourteen (14) days prior to the Settlement Hearing, file with the Court a written statement that: (i) identifies the case known as *In re Feihe International, Inc. Shareholder Litigation*, Lead Case No. 120906911; (ii) includes the Class Member's name, address, telephone number, and, if represented, the name, address and telephone number of their counsel; (iii) includes proof of membership in the Class; (iv) includes the basis for the objection; and (v) is signed by the Class Member. Such objection shall also be served by e-filing, hand or overnight mail on the following counsel of record:

Vincent R. Cappucci
ENTWISTLE & CAPPUCCI LLP
280 Park Avenue, 26th Floor West
New York, NY 10017

Carl L. Stine
WOLF POPPER LLP
845 Third Avenue
New York, NY 10022

Ellen Gusikoff Stewart
ROBBINS GELLER RUDMAN & DOWD
LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Jon V. Harper
ANDERSON & KARRENBERG, P.C.
50 West Broadway, Suite 700
Salt Lake City, UT 84101

Robert S. Clark
PARR BROWN GEE & LOVELESS, P.C.
185 South State Street, Suite 800
Salt Lake City, UT 84111

Eric S. Waxman
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM LLP
300 South Grand Avenue,
Suite 3400
Los Angeles, CA 90071

Andrew R. Escobar
DLA PIPER LLP (US)
701 Fifth Avenue, Suite 7000
Seattle, WA 98104

Paul J. Lockwood
Nicole A. DiSalvo
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899-0636

James S. Jardine
RAY QUINNEY & NEBEKER P.C.
36 South State Street, Suite 1400
P.O. Box 45385
Salt Lake City, UT 84111

Matthew L. Lalli
SNELL & WILMER L.L.P.
15 W South Temple #1200
Salt Lake City, UT 84101-1531

25. No person will be entitled to object to the approval of the Settlement, the certification of the Action as a class, the Final Order to be entered in the Action, any award of attorneys' fees and expenses to Plaintiffs' Counsel, or otherwise to be heard, except by serving and filing written objections as described in paragraph 24 above.

26. Any Class Member who fails to object in the manner described in paragraph 24 above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in the Action or any other proceeding, or otherwise contesting the Settlement or Plaintiffs' Counsel's application for attorneys' fees, and shall be bound by the Final Order to be entered and the releases to be given.

27. Any reply in support of the Settlement and/or in response to any objections must be filed two (2) business days prior to the Settlement Hearing.

28. Any reply in opposition to the Settlement and/or in support of any objections must be filed one (1) business day prior to the Settlement Hearing.

29. All funds held by the Escrow Agents shall be deemed and considered to be in *custodia legis* and shall remain subject to the jurisdiction of the Court until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

30. If the Court approves the Settlement following the Settlement Hearing, a Final Order will be entered as described in the Stipulation.

31. If the Court fails to enter the Final Order or fails to dismiss with prejudice the Released Claims as to all members of the Class, and unless counsel for each of the Parties, within 10 (ten) business days from such decision, agrees in writing to present to the Court for approval a modification to the Stipulation to which all Parties in their sole judgment and discretion may agree:

a. the Stipulation (including Exhibits thereto) shall be null and void and of no force and effect;

b. the Parties shall be deemed to have excused performance of any obligation owed to or by any Party pursuant to any orders that may have been entered by the Court in connection with the Stipulation (including Exhibits thereto); and

c. the Parties shall be deemed to be in the position they were in prior to the execution of the Stipulation, and the statements made in connection with the negotiation of the Stipulation, the Exhibits to the Stipulation and the Settlement shall not be deemed to prejudice in any way the positions of the Parties with respect to the claims asserted in the Action, or to constitute an admission of wrongdoing by any Party, and shall not be used nor entitle any Party to recover any fees, costs or expenses incurred in connection with the Action.

32. The Released Parties shall have no responsibility for the Plan of Allocation or any application for attorneys' fees, costs, or expenses submitted by Plaintiffs' Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

33. At or after the Settlement Hearing, the Court shall determine whether the Plan of Allocation proposed by Plaintiffs' Counsel, and any application for attorneys' fees, costs, and expenses, should be approved.

34. All reasonable expenses incurred in identifying and notifying Class Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the Court does not approve the Settlement, or it otherwise fails to become effective, neither Plaintiffs nor any of their counsel shall have any obligation to repay any amounts actually and properly incurred or disbursed pursuant to Sections D.2 and I.2 of the Stipulation.

35. The Court may, for good cause, extend any of the deadlines set forth in this Order without further notice to Class Members.

Entered as Executed at the Top of the First Page of this Order.

EXHIBIT C

**If You Were a Stockholder of Feihe International, Inc.
Between October 3, 2012 and June 28, 2013,
You May Be Entitled to Money From a Class Action Settlement**

If You are a nominee who held Feihe International, Inc. common stock for the benefit of another, please read the section below entitled “NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS.” Members of the Class are referred to as “Class Members.”

- The Settlement will provide a gross amount of \$6.5 million to pay claims from investors who held common stock of Feihe International, Inc. (“Feihe” or the “Company”) when Feihe was merged with Diamond Infant Formula Holding Limited on June 28, 2013 in exchange for \$7.40 cash per share (the “Merger”).
- The Settlement resolves a lawsuit over whether the former Board of Directors of Feihe and Morgan Stanley Private Equity Asia III Holdings (Cayman) Ltd and certain of its affiliates (“MSPEA”) allegedly breached fiduciary duties owed to Feihe stockholders in connection with the Merger; it avoids risks to You from continuing the lawsuit; pays money to stockholders like You; and unless You exclude Yourself from the Class, prevents You from ever filing another lawsuit about the Merger.
- The two sides disagree on how much money could have been won if Feihe stockholders won at trial, or if Feihe stockholders could have won at trial.
- Your legal rights are affected whether You act, or don’t act. Read this notice carefully.

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT: | |
|---|--|
| SUBMIT A CLAIM FORM | By [], 2015. This is the only way to get a payment |
| OBJECT | Write to the Court by [], 2015 about why You don’t like the Settlement. |
| REQUEST EXCLUSION FROM THE CLASS | Get no payment. Retain Your rights to be part of a lawsuit against Defendants about the Released Claims. |
| DO NOTHING | Get no payment. Give up Your rights. |

- These rights and options – and the deadlines to exercise them – are explained in this Notice.

- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after objections and appeals, if any, are resolved. Please be patient.

Why did I get this Notice?

This Notice is being sent to You pursuant to an Order of the Court because You or someone in Your family may have been a Feihe stockholder between October 3, 2012 (when Feihe received a non-binding merger proposal) and June 28, 2013 (the date the Merger closed).

You got this Notice because You have a right to know about the proposed Settlement of this lawsuit, and about all of Your options, before the Court decides whether to approve the Settlement.

This Notice explains the lawsuit, the Settlement, Your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Third Judicial District Court In and For Salt Lake County, State of Utah (the “Court”), and the case is called *In re Feihe International, Inc. Shareholder Litigation*, Lead Case No. 120906911 (the “Lawsuit”). The judge presiding over this case is Judge Andrew Stone. The stockholders who sued Feihe are called the Plaintiffs, and certain of the companies and people they sued, Feihe and MSPEA, are called the Defendants.

If the Court approves the Settlement and the Settlement becomes effective: (a) the Lawsuit will be dismissed with prejudice, (b) all members of the Class (other than those who have requested exclusion from the Class) will be deemed to have released the Released Claims (a full copy of the Released Claims is attached), and (c) the Settlement Administrator (“Settlement Administrator”) approved by the Court will make payments pursuant to the Settlement.¹

What is this lawsuit about?

The following summary does not constitute findings of the Court. The Court has made no findings about the following matters and these descriptions are not opinions of the Court as to the merits of any of the claims or defenses raised by any of the parties.

The Lawsuit (which is a consolidated action composed of a number of related actions) alleges that the Board breached fiduciary duties owed to Feihe stockholders in connection with the Merger, and that Feihe and MSPEA aided and abetted those alleged breaches. The Lawsuit claims that the Board engaged in an unfair process in approving and recommending the Merger, and agreed to the Merger at an unfairly low price.

Plaintiffs’ Counsel reviewed thousands of documents about the Lawsuit and both Defendants and Plaintiffs presented arguments to the Court about the merits of the claims. The Court denied Plaintiffs’ motion for preliminary injunction to prevent the shareholder vote on the Merger from proceeding, and dismissed Plaintiffs’ Second Amended Complaint. Plaintiffs refiled a Third

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement dated May 27, 2015 (the “Settlement Stipulation”), which is available [FILL IN WHERE AVAILABLE].

Amended Complaint, which Defendants have also moved to dismiss. The Court has not ruled on that motion, and has not made any final decisions about the merits of the case.

Defendants deny each of Plaintiffs' allegations and all liability and damages.

Why is this a class action?

In a class action, one or more people (in this case, Plaintiffs Richard Frank, Frederick G. Tobin, and Arthur M. Read II) sue on behalf of people who have similar claims. All these people are a Class or Class Members.

Why is there a settlement?

Plaintiffs and Plaintiffs' Counsel believe that all of their claims asserted against the Defendants have legal merit, and that their diligent prosecution of the claims asserted in the Lawsuit has led to a settlement that provides a recovery for the Class.

Although the Plaintiffs and Plaintiffs' Counsel think they could have won at trial, the Defendants think the Plaintiffs would not have won anything at a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, the parties avoid the cost of a trial, and the stockholders will be assured of receiving money. The Plaintiffs and their attorneys think the Settlement is fair and is what is best for all Class Members.

Plaintiffs, based on their oversight of the prosecution of this Lawsuit, along with the input of Plaintiffs' Counsel, have agreed to settle the claims raised in the Lawsuit pursuant to the terms and provisions of the Stipulation, after considering: (a) the substantial benefits that Plaintiffs and the other members of the Class will receive from the resolution of the Lawsuit; (b) the risks of going to trial, including the risk of failing to prove liability and/or damages greater than the Settlement Amount; and (c) the view that the terms of the Settlement are fair, reasonable, adequate, and in the best interests of the Class Members.

Plaintiffs, through Plaintiffs' Counsel, have conducted an investigation and pursued extensive discovery relating to the claims and the underlying events and transactions alleged in the Lawsuit. Plaintiffs' Counsel has analyzed the evidence obtained during their investigation, and the extensive discovery obtained in the Lawsuit, and has also researched the applicable law with respect to the claims asserted in the Lawsuit and the potential defenses. Plaintiffs' Counsel also considered the Court's granting of Defendants' motion to dismiss the Second Amended Complaint, and Defendants' pending motion to dismiss the Third Amended Complaint. Finally, the Plaintiffs participated in a mediation with a neutral mediator who assisted the parties to assess the strengths and weaknesses of their position and reach a fair resolution of the Lawsuit.

In negotiating and evaluating the terms of the Settlement, Plaintiffs and Plaintiffs' Counsel considered the significant legal and factual defenses to the Plaintiffs' claims and the expense, length, and risk of pursuing their claims through trial and appeals. While Plaintiffs believe that the Merger was the product of breaches of fiduciary duty by certain of the Defendants and that

the money paid to the Feihe stockholders in the Merger was inadequate, Defendants have argued that they acted appropriately and are not subject to liability or damages. In light of the risks of continued litigation, the amount of the Settlement and the immediacy of recovery to the Class, Plaintiffs and Plaintiffs' Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class. Plaintiffs and Plaintiffs' Counsel believe that the Settlement provides an extraordinary benefit to the Class, namely \$6.5 million in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Lawsuit would produce a smaller or no recovery after trial and appeals, possibly years in the future.

The Court has not made any final decisions about Plaintiffs' claims or Defendants' defenses.

How do I know if I am part of the Settlement?

If You are a member of the Class, You are subject to the Settlement. The Class certified by the Court, for settlement purposes only, consists of:

All persons who owned or beneficially held shares of Feihe common stock in the period from and including October 3, 2012 through June 28, 2013, including their legal representatives, heirs, successors in interest, assignees, and transferees of such foregoing holders, excepting Defendants in the Action or their family members and any Released Party. In this paragraph, "family members" includes an individual's spouse, parents, siblings, children, grandparents, grandchildren, or other descendants; the spouses of his or her parents, siblings and children; and the parents and siblings of his or her spouse, and includes step and adoptive relationships. In this paragraph, "spouse" shall mean a husband, a wife, or a partner in domestic partnership or civil union. For avoidance of doubt, Class includes mutual funds, other pooled vehicles and separately managed investment accounts that primarily invest in publicly traded securities for which Morgan Stanley Investment Management Inc. or its investment advisory affiliates (other than those affiliates that are primarily engaged in investing in private securities) serves as investment adviser or investment manager. The Class shall further exclude any former Feihe shareholder who has perfected dissenters' rights under Utah law to obtain payment for common stock acquired in the Acquisition, and any purported Class Member who requests exclusion therefrom in accordance with the requirements set out in this Notice (*see* pages 8-9 below).

Please note: receipt of this Notice does not mean that You are a Class Member or that You will be entitled to receive money from the Settlement. If You wish to be eligible to get money from the Settlement, You are required to submit the claim form attached postmarked no later than [], **2015**.

What does the Settlement provide?

In consideration for the full and final settlement and dismissal with prejudice of the Lawsuit, and the release by the Class Members of any and all Released Claims, the Defendants have agreed to

pay \$6.5 million cash into an interest-bearing escrow account for the benefit of the Class to be divided, after payment of fees and expenses, among all Class Members who owned shares of Feihe common stock as of June 28, 2013 and who send in a timely and valid claim form.

How much will my payment be?

Your share of the fund will depend on the number of valid claim forms that Class Members who owned shares of Feihe common stock on the date the Merger closed, June 28, 2013, send in, and the amount of costs and fees that will be paid from the Settlement Fund. Here's how it works:

If Your shares of Feihe common stock were bought in the Merger, You will be entitled to make a claim for a gross amount of about \$0.56 per share, which is the approximate gross per share recovery based on an estimate of the total number of shares eligible to participate in the Settlement Fund. The costs to administer the claims and to pay the attorneys and litigation expenses will be deducted from these gross amounts in the Settlement Fund first and then the rest of the Settlement Fund will be distributed to Class Members who owned Feihe stock on June 28, 2013 and make a timely claim. All of the \$6.5 million available will be distributed. The details of the allocation are as follows:

THE PROPOSED PLAN OF ALLOCATION

I. Definitions

A. Settlement Amount: "Settlement Amount" means a total amount of six million, five-hundred thousand dollars in cash (\$6,500,000).

B. Settlement Fund: "Settlement Fund" means the fund consisting of the amounts deposited in the escrow account which is to be maintained by the Escrow Agents and into which the Settlement Amount shall be deposited.

C. Net Settlement Amount: "Net Settlement Amount" means the Settlement Fund, less Administration Costs (which are all costs and expenses associated with providing notice of the Settlement to the Class or otherwise administering or carrying out the terms of the Settlement, including any escrow fees and costs charged by the Escrow Agents, and taxes and tax-related costs relating to the Settlement Fund), taxes and any Fee Award.

D. Authorized Claimants: "Authorized Claimants" means those Class Members who submit a timely and properly executed Claim Form to the Settlement Administrator, in accordance with the requirements established by the Court, which Claim is approved for payment, in whole or in part, from the Net Settlement Amount pursuant to the Court-approved plan of allocation.

II. Plan of Allocation

A. Each Authorized Claimant shall receive a distribution from the Net Settlement Amount equal to the product of the Net Settlement Amount and a fraction, (a) the numerator of which is

the number of shares of Feihe common stock held by such Authorized Claimant at the time of the closing of the Merger (“Authorized Shares”), and (b) the denominator of which is a number representing the total number of Authorized Shares held by all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

B. Defendants shall not have a reversionary interest in the Net Settlement Amount. If (whether by reason of tax refunds, uncashed checks, or otherwise) there is any balance remaining in the Net Settlement Amount after six (6) months from the date of the initial distribution made to Authorized Claimants (the “Initial Distribution”), Class Counsel shall, if feasible, distribute this balance among the Authorized Claimants who negotiated the checks sent to them in the Initial Distribution and who would receive at least \$10.00 from such redistribution. These distributions shall be repeated until the balance remaining in the Net Settlement Amount is *de minimis*. Thereafter, any balance remaining in the Net Settlement Amount shall be donated to an appropriate non-profit organization selected by Class Counsel.

The Plan of Allocation set forth herein is the plan that is being proposed by Plaintiffs and Plaintiffs’ Counsel to the Court for approval. The Court may approve this Plan of Allocation as proposed or it may modify the plan without further notice to the Class. Any orders regarding a modification of the Plan of Allocation will be posted to the Settlement website.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Plaintiffs, Plaintiffs’ Counsel, or the Claims Administrator or other agent designated by Plaintiffs’ Counsel arising from distributions made substantially in accordance with the Stipulation of Settlement, the Plan of Allocation, or further orders of the Court. Plaintiffs, Defendants, their respective counsel, and all other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Amount, the Plan of Allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

How can I get a payment?

To qualify for payment, You must have owned shares of Feihe common stock on the date the Merger closed, June 28, 2013, and send in a claim form. A claim form is attached to this Notice. You may also get a claim form by visiting the website at [settlement website], or by emailing [email], or calling [number]. Read the instructions carefully, fill out the form, sign it, and mail it or email it postmarked no later than [], 2015.

When would I get my payment?

The Court will hold a hearing at **0:00 __.m. on [], 2015**, at the Court’s chambers, 450 South State Street, Salt Lake City, Utah 84114, to decide whether to approve the Settlement. If the Court approves the Settlement after that, there may be appeals. It’s always uncertain whether

these appeals can be resolved, and resolving them can take time, perhaps more than a year. Everyone who sends in a claim form will be informed of the progress of the Settlement on the Settlement website. Please be patient.

How does the Settlement affect my rights?

If the Settlement is approved, and You have not requested exclusion from the Class, You can't sue or be part of any other lawsuit against Defendants about the legal issues in this case, regardless of whether or not You submit a claim form or get paid. It also means that all of the Court's orders will apply to You and legally bind You.

Do I have a lawyer in this case?

The Court appointed the law firms of Entwistle & Cappucci LLP and Robbins Geller Rudman & Dowd LLP as Co-Lead Counsel; Wolf Popper LLP as additional Plaintiffs' Counsel; and Anderson & Karrenburg, P.C. and Parr Brown Gee & Loveless, P.C. as Co-Liaison Counsel to represent You and other Class Members. These lawyers are called Plaintiffs' Counsel. You will not be charged any out-of-pocket expenses for these lawyers. If You want to be represented by Your own lawyer, You may hire one at Your own expense.

How will the lawyers be paid?

Plaintiffs' Counsel will ask the Court to approve payment of attorneys' fees of 27% of the Settlement Fund plus expenses not to exceed \$160,000 to them for attorneys' fees and expenses. Plaintiffs' Counsel have been working on this case since 2013, without any payment at all. Plaintiffs' Counsel litigated the case through an initial motion for a preliminary injunction, motions to dismiss and start of discovery. A detailed summary of what was done in this Lawsuit is included in the Stipulation, which may be obtained by visiting the website at [WEBSITE], or by emailing [EMAIL] or calling [NUMBER]. The fees would pay Plaintiffs' Counsel for investigating the facts, litigating the case and negotiating the Settlement that achieves a \$6.5 million recovery. The expenses are to pay Plaintiffs' Counsel for expenses incurred in litigating the Lawsuit. The Court may award less than these amounts. The amount of the fees and expenses will be deducted from the Settlement Fund. The costs to administer the Settlement will also be deducted from the Settlement Fund.

How do I get out of the Class?

If You want to keep the right to sue or continue to sue the Defendants and the other Released Parties on Your own about the Released Claims, then You must take steps to get out of the Class. This is called excluding Yourself or is sometimes referred to as "opting out" of the Class. If You choose to exclude Yourself from the Class, You will get no money from the Settlement. To exclude yourself from the Class, you must mail a written Request for Exclusion from the Class, addressed to *Feihe Shareholder Litigation – EXCLUSIONS* - c/o _____. The Request for

Exclusion must be *received* no later than _____, 2015. You will not be able to exclude Yourself from the Class after that date. Each Request for Exclusion must (i) state the name and address of the person or entity requesting exclusion; (ii) state that such person or entity “requests exclusion from the Class in *In re Feihe International, Inc. Shareholder Litigation*, Case No. 120906911”; (iii) be signed by the person or entity requesting exclusion; (iv) provide a telephone number for that person or entity; and (v) provide the number of shares of Feihe common stock that the person or entity held during the period October 3, 2012 through and including June 28, 2013. Requests for Exclusion will not be valid if they are not received within the time stated above, unless the Court otherwise determines.

If I do not exclude myself, can I sue Defendants and the other Released Parties for the same thing later?

No. Unless You exclude Yourself, You give up any right to sue Defendants and the other Released Parties about the Released Claims. If You have a pending lawsuit against the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is _____, 2015.

If I exclude myself, can I get money from this Settlement?

No. If You exclude Yourself, do not send in a Claim Form.

How do I tell the Court that I don't like the Settlement?

You can object to the Settlement if You don't like any part of it. You can give reasons why You think the Court should not approve it. The Court will consider Your views. To object, You must file with the Court, no later than [], 2015, a written statement saying that You object to the Settlement. Be sure to: (a) identify the case known as *In re Feihe International, Inc. Shareholder Litigation*, Lead Case No. 120906911; (b) include Your name, address, telephone number, and, if represented by an attorney, the name, address and telephone number of Your attorney; (c) proof of membership in the Class; (d) Your signature; (e) and the reasons You object to the Settlement. To file with the Court you must either have an electronic filing account or mail or hand deliver your papers to the Court's chambers, 450 South State Street, Salt Lake City, Utah 84114. Also by [], 2015, you must serve by e-filing, hand delivery or overnight mail the objection to the following attorneys:

Vincent R. Cappucci
ENTWISTLE & CAPPUCCI LLP
280 Park Avenue, 26th Floor West
New York, NY 10017

Carl L. Stine
WOLF POPPER LLP
845 Third Avenue
New York, NY 10022

Ellen Gusikoff Stewart
ROBBINS GELLER RUDMAN & DOWD
LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Eric S. Waxman
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM LLP
300 South Grand Avenue,
Suite 3400
Los Angeles, CA 90071

Paul J. Lockwood
Nicole A. DiSalvo
SKADDEN, ARPS, SLATE, MEAGHER &
FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899-0636

Jon V. Harper
ANDERSON & KARRENBERG, P.C.
50 West Broadway, Suite 700
Salt Lake City, UT 84101

Robert S. Clark
PARR BROWN GEE & LOVELESS, P.C.
185 South State Street, Suite 800
Salt Lake City, UT 84111

Andrew R. Escobar
DLA PIPER LLP (US)
701 Fifth Avenue, Suite 7000
Seattle, WA 98104

James S. Jardine
RAY QUINNEY & NEBEKER P.C.
36 South State Street, Suite 1400
P.O. Box 45385
Salt Lake City, UT 84111

Matthew L. Lalli
SNELL & WILMER L.L.P.
15 W South Temple #1200
Salt Lake City, UT 84101-1531

Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Plaintiffs' Counsel's request for an award of attorneys' fees and of expenses. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

What's the difference between objecting and excluding?

Objecting is simply telling the Court that You don't like something about the Settlement. You can object *only if* You stay in the Class. Excluding Yourself is telling the Court that You don't want to be part of the Class. If You exclude Yourself, You have no basis to object because the case no longer affects You.

When and where will the Court decide whether to approve the Settlement?

The Court will hold a Settlement Hearing at **0:00 __.m. on [], 2015**, at the Court's chambers, 450 South State Street, Salt Lake City, Utah 84114. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate and whether to approve the Plan of Allocation

and certify the class. The Court will also consider how much to pay to Plaintiffs' Counsel. If there are objections, the Court will consider them. After the hearing, the Court will make decisions whether to approve these matters relating to the Settlement. We do not know how long these decisions will take.

Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer questions the Court may have. But, You are welcome to come at Your own expense. If You send an objection, You don't have to come to Court to talk about it. As long as You mailed Your written objection on time, the Court will consider it. You may also pay Your own lawyer to attend, but it's not necessary.

Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and will be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Plaintiffs' Counsel's request for an award of attorneys' fees and expenses. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

What happens if I do nothing at all?

If You do nothing, You will get no money from the Settlement. If the Settlement is approved You won't be able to start a lawsuit, or be part of any other lawsuit against the Defendants about the legal issues in this case, ever again.

Are there more details about the Settlement?

This Notice summarizes the Settlement. More details are in the Settlement Stipulation. For more detailed information about the matters involved in the Lawsuit, You are referred to the papers on file in the Lawsuit, including the Settlement Stipulation, which may be inspected during regular business hours of each business day at the Court's chambers, 450 South State Street, Salt Lake City, Utah 84114. Copies of the Settlement Stipulation and any related orders entered by the Court will be posted on the Settlement website at [WEBSITE]. All questions about this Notice or the Claim Form should be directed to the Settlement Administrator by visiting the website at [WEBSITE], or by emailing [EMAIL], or calling [PHONE].

How do I get more information?

You can call [LAWYER] of [FIRM] (one of counsel for Plaintiff) at [PHONE] or the Settlement Administrator at [PHONE] toll free; write to [ADDRESS], email the Claims Administrator at [EMAIL], or visit the website [WEBSITE], where You will find answers to common questions about the Settlement, a claim form, plus other information to help You determine whether You are a Class Member and whether You are eligible to get money from the Settlement. **PLEASE DO NOT CALL OR WRITE THE COURT.**

**NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON
BEHALF OF OTHERS.**

If You held Feihe common stock during the Class Period for the beneficial interest of a person or entity other than Yourself, You must either (a) within three (3) calendar days of receipt of this Notice, request from the Settlement Administrator sufficient copies of the Notice and Claim Form (the “Notice Packet”) to forward to all such beneficial owners and within five (5) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b) within five (5) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to [CLAIM ADMIN ADDRESS], or by email to [EMAIL]. If You choose the second option, the Settlement Administrator will send copies of the Notice and the claim form to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Settlement Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the claim form may also be obtained from the Settlement website maintained by the Settlement Administrator, [WEBSITE], by calling the Settlement Administrator at [PHONE].

EXHIBIT D

MATTHEW L. LALLI (#6105)
SNELL & WILMER L.L.P.
15 W South Temple #1200
Salt Lake City, UT 84101-1531
Tel.: (801) 257-1962
Fax: (801) 257-1800

ERIC S. WAXMAN (*admitted pro hac vice*)
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
300 South Grand Avenue,
Suite 3400
Los Angeles, CA 90071
Tel.: (213) 687-5000
Fax: (213) 687-5600

PAUL J. LOCKWOOD
NICOLE A. DISALVO (*admitted pro hac vice*)
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899-0636
Tel: (302) 651-3000
Fax: (302) 651-3001

*Counsel for Defendant Morgan Stanley
Private Equity Asia III Holdings (Cayman) Ltd*

IN THE THIRD JUDICIAL DISTRICT COURT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

| | | |
|---------------------------------|---|-------------------------------|
| IN RE FEIHE INTERNATIONAL, INC. |) | Lead Case No. 120906911 |
| SHAREHOLDER LITIGATION |) | |
| _____ |) | <u>CLASS ACTION</u> |
| |) | |
| This Document Relates To: |) | The Honorable Andrew H. Stone |
| |) | |
| ALL ACTIONS. |) | PROOF OF CLAIM AND RELEASE |
| _____ |) | |
| |) | EXHIBIT D |
| |) | |
| |) | TIER 3 |
| |) | |

I. GENERAL INSTRUCTIONS

1. All capitalized terms not otherwise defined shall have the same meanings as set forth in the Stipulation of Settlement dated May 27, 2015 (“Stipulation”), which can be downloaded at www._____.com.

2. To recover as a member of the Class based on your claims in the action entitled *In re Feihe International, Inc. Shareholder Litigation*, Lead Case No. 120906911 (the “Action”), you must complete and, on page ____ hereof, sign this Proof of Claim and Release. If you fail to file a properly addressed (as set forth in paragraph 4 below) Proof of Claim and Release, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Amount created in connection with the proposed settlement of the Action.

3. Submission of this Proof of Claim and Release, however, does not assure that you will share in the proceeds of the settlement of the Action.

4. TO PARTICIPATE IN THE SETTLEMENT, YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE POSTMARKED ON OR BEFORE _____, 2015, ADDRESSED AS FOLLOWS:

Feihe International Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box ____

If you are NOT a member of the Class (as defined below and in the Notice of Proposed Settlement of Class Action (“Notice”)) DO NOT submit a Proof of Claim and Release.

5. If you are a member of the Class and you do not timely request exclusion from the Class, you are bound by the terms of any judgment entered in the litigation, including the releases

provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE FORM.

II. DEFINITIONS

1. “Class” means, as certified by the Court, all persons who owned or beneficially held shares of Feihe common stock in the period from and including October 3, 2012 through June 28, 2013, including their legal representatives, heirs, successors in interest, assignees, and transferees of such foregoing holders, excepting Defendants in the Action or their family members and any Released Party. In this paragraph, “family members” includes an individual’s spouse, parents, siblings, children, grandparents, grandchildren, or other descendants; the spouses of his or her parents, siblings and children; and the parents and siblings of his or her spouse, and includes step and adoptive relationships. In this paragraph, “spouse” shall mean a husband, a wife, or a partner in domestic partnership or civil union. For avoidance of doubt, Class includes mutual funds, other pooled vehicles and separately managed investment accounts that primarily invest in publicly traded securities for which Morgan Stanley Investment Management Inc. or its investment advisory affiliates (other than those affiliates that are primarily engaged in investing in private securities) serves as investment adviser or investment manager. The Class shall further exclude any former Feihe shareholder who has perfected dissenters’ rights under Utah law to obtain payment for common stock acquired in the Acquisition, and any purported Class Member who requests exclusion therefrom in accordance with the requirements set out in the Notice.

2. “Defendants” means Appearing Defendants and all other defendants named in the Action, whether or not they were served with process or appeared in the Action.

3. “Released Parties” means all defendants named in the Action, whether or not they were served with process or appeared in the Action, along with all of their past, current or future spouses, family members, officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants,

auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns (including the past, current and future officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns of such related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns), heirs, executors, personal representatives, estates, and administrators, or any trust of which any defendant is the settlor or which is for the benefit of any defendant and/or member(s) of his or her family.

III. CLAIMANT IDENTIFICATION

If you held Feihe common stock at any time from and including October 3, 2012 through and including June 28, 2013, and held the certificate(s) in your name, you are the beneficial holder as well as the record holder. If, however, you held Feihe common stock and the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial holder and the third party is the record holder.

Use Part I of this form entitled “Claimant Identification” to identify each holder of record (“nominee”), if different from the beneficial holder of Feihe common stock which forms the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL HOLDER(S) OR THE LEGAL REPRESENTATIVE OF SUCH HOLDER(S) OF THE FEIHE COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

All joint holders must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of Persons represented by them and their

authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

IV. CLAIM FORM

Use Part II of this form entitled “Schedule of Shares of Feihe Common Stock Cashed Out in the Merger for \$7.40 Per Share” to supply the number of shares of Feihe common stock you held during the Class Period and for which you received \$7.40 per share.

Broker confirmations or other documents verifying that you held Feihe common stock during the Class Period and received \$7.40 for each share in the Merger of Feihe into Diamond Infant Formula Holding Limited should be attached to your claim. Failure to do so could delay verification of your claim or result in rejection of your claim.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large holdings in Feihe common stock may request, or may be requested, to submit information regarding their transactions in electronic format. All claimants **MUST** submit a manually signed paper Proof of Claim and Release form whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-866-780-1739 to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

THIRD JUDICIAL DISTRICT COURT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH
In re Feihe International, Inc. Shareholder Litigation,

Lead Case No. 120906911

PROOF OF CLAIM AND RELEASE

Must Be Postmarked No Later Than:

_____, 2015

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City

State or Province

Zip Code or Postal Code

Country

Social Security Number or
Taxpayer Identification Number

Area Code

Telephone Number (work)

Area Code

Telephone Number (home)

Record Owner's Name (if different from beneficial owner listed above)

PART II: SCHEDULE OF SHARES OF FEIHE COMMON STOCK CASHED OUT IN THE MERGER FOR \$7.40 PER SHARE

- A. Number of shares of Feihe common stock you held that were cashed out of in the Merger for \$7.40 per share: _____ (Be sure to attach the required documentation)

YOU MUST ALSO READ AND SIGN THE RELEASE ON PAGE __.

V. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim and Release under the terms of the Stipulation of Settlement (the "Stipulation") described in the Notice. I (We) also submit to the jurisdiction of the Third Judicial District Court of the State of Utah, Salt Lake County, with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the litigation. I (We) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so. I (We) have not submitted any other claim covering the Feihe common stock I (we) held between October 3, 2012 and June 28, 2013 for which we received \$7.40 per share, and know of no other person having done so on my (our) behalf.

VI. RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from and covenant not to sue with respect to, the Released Claims each and all of the Released Parties.

2. "Released Claims" means any and all claims, causes of action, demands, rights, suits, matters, issues, obligations, expenses, damages, losses, liabilities, or any other matters, including,

but not limited to, claims for negligence, gross negligence, professional negligence, breach of duty of care and/or breach of duty of loyalty and/or breach of duty of candor, fraud, breach of fiduciary duty, mismanagement, corporate waste, malpractice, breach of contract, negligent misrepresentation, violations of any state or federal statutes (including without limitation the Federal securities laws), rules or regulations, and any Unknown Claims that have been or that could have been asserted in the Action in this or any other forum by or on behalf of the Plaintiffs or Class Members in their capacity as Feihe shareholders that relate to the subject matter of the Action, the Merger, the Merger consideration or process, or the public disclosures concerning the Merger; *provided, however*, that the Released Claims do not include the Plaintiffs' right to enforce in Court the terms of the Stipulation.

3. "Released Parties" means all defendants named in the Action, whether or not they were served with process or appeared in the Action, along with all of their past, current or future spouses, family members, officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns (including the past, current and future officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns of such related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns), heirs, executors, personal representatives, estates, and administrators, or any trust of which any defendant is the settlor or which is for the benefit of any defendant and/or member(s) of his or her family.

4. “Unknown Claims” means any and all claims that Plaintiffs or any Class Member does not know or suspect exists in his, her or its favor at the time of the release of the Released Claims as against the Released Parties, including without limitation those which, if known, might have affected the decision to enter into this Settlement, and any and all claims which any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Claims, including without limitation those which, if known, might have affected the decision to enter into this Settlement. With respect to any of the Released Claims and Released Defendant Claims, the Parties stipulate and agree that upon the Effective Date, each Plaintiff and each Defendant shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived, relinquished and released any and all provisions, rights and benefits conferred by or under Cal. Civ. Code § 1542 or any law of the United States or any state of the United States or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Appearing Defendants acknowledge, and the other Class Members by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims and the Released Defendant Claims, but that it is the intention of Plaintiffs and Appearing Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Claims and Released Defendant Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Plaintiffs and Appearing Defendants

acknowledge, and the other Class Members and other Released Parties by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of “Released Claims” and in the definition of “Released Defendant Claims” was separately bargained for and was a key element of the Settlement and was relied upon by Plaintiffs and Appearing Defendants in entering into the Stipulation.

5. “Released Defendant Claims” means any claims that have been or could have been asserted in the Action or any forum by Defendants against Plaintiffs, any Class Member, or any of their respective counsel, which arise out of or relate in any way to the institution, prosecution, settlement or dismissal of the Action, including any claims of bad faith or abuse of process against Plaintiffs or Plaintiffs’ Counsel relating to their prosecution of the Action; *provided, however*, that Released Defendant Claims shall not include any claims relating to the enforcement of the Settlement.

6. This release shall be of no force or effect unless and until the Court approves the Stipulation and the Stipulation becomes final on the Effective Date (as defined in the Stipulation).

7. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

8. I (We) hereby warrant and represent that I (we) have included information about all of my (our) holdings in Feihe common stock requested in this Proof of Claim and Release form.

9. I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code.

I declare under penalty of perjury under the laws of the State of Utah and of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this _____ day of _____ (Month/Year) in

_____(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing,
e.g., Beneficial Purchaser,
Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and declaration.
2. Remember to attach supporting documentation, if available.
3. Do not send original stock certificates.
4. Keep a copy of your claim form and all supporting documentation for your records.
5. If you desire an acknowledgment of receipt of your claim form, please send it

Certified Mail, Return Receipt Requested.

6. If you move, please send the Claims Administrator your new address.

EXHIBIT E

MATTHEW L. LALLI (#6105)
SNELL & WILMER L.L.P.
15 W South Temple #1200
Salt Lake City, UT 84101-1531
Tel.: (801) 257-1962
Fax: (801) 257-1800

ERIC S. WAXMAN (*admitted pro hac vice*)
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
300 South Grand Avenue,
Suite 3400
Los Angeles, CA 90071
Tel.: (213) 687-5000
Fax: (213) 687-5600

PAUL J. LOCKWOOD
NICOLE A. DISALVO (*admitted pro hac vice*)
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899-0636
Tel: (302) 651-3000
Fax: (302) 651-3001

*Counsel for Defendant Morgan Stanley
Private Equity Asia III Holdings (Cayman) Ltd*

IN THE THIRD JUDICIAL DISTRICT COURT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

| | | |
|---------------------------------|---|-------------------------------|
| IN RE FEIHE INTERNATIONAL, INC. |) | Lead Case No. 120906911 |
| SHAREHOLDER LITIGATION |) | |
| _____ |) | <u>CLASS ACTION</u> |
| |) | |
| This Document Relates To: |) | The Honorable Andrew H. Stone |
| |) | |
| ALL ACTIONS. |) | SUMMARY NOTICE |
| _____ |) | |
| |) | EXHIBIT E |
| |) | |
| |) | TIER 3 |
| |) | |

IF YOU HELD SHARES OF COMMON STOCK IN FEIHE INTERNATIONAL, INC. (“FEIHE”) AT ANY TIME FROM AND INCLUDING OCTOBER 3, 2012 THROUGH AND INCLUDING JUNE 28, 2013 (THE “CLASS PERIOD”), YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF A CLASS ACTION.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the Third Judicial District Court for Salt Lake County, Utah, that a hearing will be held on _____, 2015, at ____ a.m., in Courtroom __ of the District Court for Salt Lake County, Utah, 450 South State Street, Salt Lake City, Utah 84114, for the purpose of determining: (1) whether the proposed Settlement of the claims in the Action for the sum of \$6,500,000.00 in cash plus accrued interest should be approved by the Court as fair, reasonable, and adequate; (2) whether the Court should enter a final judgment in the Action on the merits against the named Plaintiffs and the Class as set forth in the Stipulation of Settlement dated May 27, 2015 (“Stipulation”);¹ (3) whether the Plan of Allocation of settlement proceeds is fair, reasonable, and adequate and therefore should be approved; and (4) whether the application of Plaintiffs’ Counsel for an award of attorneys’ fees and expenses incurred in connection with this litigation should be approved.

If you held Feihe common stock at any time from and including October 3, 2012, through and including June 28, 2013, your rights may be affected by the settlement of this Action. If you have not received a detailed Notice of Proposed Settlement of Class Action (“Notice”) and a copy of the Proof of Claim and Release form, you may obtain copies by writing to *Feihe International, Inc.*

¹ All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Stipulation.

Shareholder Litigation, Claims Administrator, c/o Gilardi & Co. LLC, P.O. Box _____, _____, CA _____, or you can download a copy at www._____.com. If you are a Class Member, in order to share in the distribution of the Net Settlement Amount, you must submit a Proof of Claim and Release form postmarked no later than _____, 2015, establishing that you are entitled to recovery. You will be bound by any judgment rendered in the Action whether or not you make a claim.

If you held Feihe common stock at any time from and including October 3, 2012, through and including June 28, 2013, and you desire to be excluded from the Class, you must submit a request for exclusion so that it is received no later than _____, 2015, in the manner and form explained in the detailed Notice referred to above. All members of the Class who do not timely and validly request exclusion from the Class will be bound by any judgment entered in the Action pursuant to the Stipulation.

Any objection to the Settlement, the Plan of Allocation, or Plaintiffs' Counsel's request for an award of attorneys' fees and expenses must be filed with the Court at the address above and served by hand or first-class mail on counsel listed below such that it is received no later than _____, 2015:

Vincent R. Cappucci
ENTWISTLE & CAPPUCCI LLP
280 Park Avenue, 26th Floor West
New York, NY 10017

Carl L. Stine
WOLF POPPER LLP
845 Third Avenue
New York, NY 10022

Ellen Gusikoff Stewart
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Jon V. Harper
ANDERSON & KARRENBERG
50 West Broadway, Suite 700
Salt Lake City, UT 84101

Eric S. Waxman
SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
300 South Grand Avenue,
Suite 3400
Los Angeles, CA 90071

Robert S. Clark
PARR BROWN GEE &
LOVELESS, P.C.
185 South State Street, Suite 800
Salt Lake City, UT 84111

Paul J. Lockwood
Nicole A. DiSalvo
SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899-0636

Andrew R. Escobar
DLA PIPER LLP (US)
701 Fifth Avenue, Suite 7000
Seattle, WA 98104

James S. Jardine
RAY QUINNEY &
NEBEKER P.C.
36 South State Street, Suite 1400
P.O. Box 45385
Salt Lake City, UT 84111

Matthew L. Lalli
SNELL & WILMER L.L.P.
15 W South Temple #1200
Salt Lake City, UT 84101-1531

If you held Feihe common stock at any time from and including October 3, 2012 through and including June 28, 2013 and you do not take the required steps to appear in this action, object to the proposed Settlement, or exclude yourself from the Class, and the Settlement is approved, you will be barred from raising an objection to the Settlement in this or any other action or proceeding, bound by the Settlement and the Court's judgment, and certain claims that you might have may be released.

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE
REGARDING THIS NOTICE.**

DATED: _____, 2015

BY ORDER OF THE THIRD JUDICIAL
DISTRICT COURT FOR SALT LAKE COUNTY,
UTAH

EXHIBIT F

MATTHEW L. LALLI (#6105)
SNELL & WILMER L.L.P.
15 W South Temple #1200
Salt Lake City, UT 84101-1531

Tel.: (801) 257-1962
Fax: (801) 257-1800

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300 South Grand Avenue,
Suite 3400
Los Angeles, CA 90071
Tel.: (213) 687-5000
Fax: (213) 687-5600

PAUL J. LOCKWOOD
NICOLE A. DISALVO (*admitted pro hac vice*)
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, DE 19899-0636
Tel: (302) 651-3000
Fax: (302) 651-3001

*Counsel for Defendant Morgan Stanley
Private Equity Asia III Holdings (Cayman) Ltd*

IN THE THIRD JUDICIAL DISTRICT COURT

IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

| | | |
|---------------------------------|---|-------------------------------|
| IN RE FEIHE INTERNATIONAL, INC. |) | Lead Case No. 120906911 |
| SHAREHOLDER LITIGATION |) | |
| _____ |) | <u>CLASS ACTION</u> |
| This Document Relates To: |) | The Honorable Andrew H. Stone |
| |) | |
| ALL ACTIONS. |) | FINAL ORDER |
| _____ |) | EXHIBIT F |
| |) | |

) TIER 3
)
)

A hearing having been held before this Court on _____, 2015, pursuant to the Court’s Scheduling Order of _____, 2015 (the “Scheduling Order”), upon a Stipulation of Settlement dated May 27, 2015 (the “Stipulation”), in the captioned consolidated action (the “Action”), which is incorporated herein by reference; it appearing that due notice of the hearing has been given in accordance with the Scheduling Order and that the notice was adequate and sufficient; the parties having appeared by their respective attorneys of record; the Court having heard and considered evidence in support of the proposed Settlement; the attorneys for the respective parties having been heard and an opportunity to be heard having been given to all other persons requesting to be heard in accordance with the Scheduling Order; and the entire matter of the proposed Settlement having been heard and considered by the Court,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, this ____ day of _____, 2015, as follows:

1. Unless otherwise defined herein, all defined terms shall have the meaning set forth in the Stipulation and the Scheduling Order and are hereby incorporated.

2. Notice of the proposed settlement of the class action has been given to the Class (as defined herein) pursuant to and in the manner directed by the Scheduling Order (“Notice”); proof of the mailing and publication of Notice was filed with the Court as provided in the Scheduling Order; and full opportunity to be heard has been offered to all Parties, the Class, and

persons of interest. The form and manner of Notice is hereby determined to have been (a) the best notice practicable under the circumstances, (b) notice that was reasonably calculated under the circumstances to advise potential Class Members of the pendency of the Action, the effect of the Settlement, and the rights of Class Members to object to the Settlement and/or Plaintiffs' Counsel's application for an award of attorneys' fees and expenses, (c) due, adequate and sufficient notice to all persons entitled to receive notice of the proposed Settlement, and (d) given in full compliance with each of the requirements of Rule 23 of the Utah Rules of Civil Procedure, due process, and applicable law. It is further determined that all Class Members (other than those defined in Exhibit A hereto) are bound by this Final Order and Judgment ("Final Order").

3. Based on the record in the Action and solely for purposes of the Settlement, this Court finds that each of the provisions of Rule 23 of the Utah Rules of Civil Procedure has been satisfied, and the Action has been properly maintained according to the provisions of Utah Rule of Civil Procedure 23(a) and 23(b). Specifically, the Court finds that (a) the Class is so numerous that joinder of all Class Members is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of the Plaintiffs (as defined herein) as representative plaintiffs are typical of the claims of the Class; (d) the Plaintiffs and Class Counsel have fairly and adequately protected and represented the interest of the Class; (e) the questions of law or fact common to the Class Members predominate over any question affecting only individual members; and (f) a class action is superior to other alternative methods for the fair and efficient adjudication of the Action.

4. Solely for purposes of the Settlement, the Action is hereby certified as a class action, pursuant to Utah Rules of Civil Procedure 23(a) and 23(b), on behalf of a class of:

All persons who owned or beneficially held shares of Feihe common stock in the period from and including October 3, 2012 through June 28, 2013, including their legal representatives, heirs, successors in interest, assignees, and transferees of such foregoing holders, excepting Defendants in the Action or their family members and any Released Party. In this paragraph, “family members” includes an individual’s spouse, parents, siblings, children, grandparents, grandchildren, or other descendants; the spouses of his or her parents, siblings and children; and the parents and siblings of his or her spouse, and includes step and adoptive relationships. In this paragraph, “spouse” shall mean a husband, a wife, or a partner in domestic partnership or civil union. For avoidance of doubt, Class includes mutual funds, other pooled vehicles and separately managed investment accounts that primarily invest in publicly traded securities for which Morgan Stanley Investment Management Inc. or its investment advisory affiliates (other than those affiliates that are primarily engaged in investing in private securities) serves as investment adviser or investment manager. The Class shall further exclude any former Feihe shareholder who has perfected dissenters’ rights under Utah law to obtain payment for common stock acquired in the Acquisition, and any purported Class Member who requests exclusion therefrom in accordance with the requirements set out in the Notice.

5. Further, and solely for purposes of the Settlement, Plaintiffs Richard Frank, Frederick G. Tobin, and Arthur M. Read, II are certified as Class representatives. The law firms of Entwistle & Cappucci LLP, Robbins Geller Rudman & Dowd LLP, Wolf Popper LLP, Anderson & Karrenburg, P.C., and Parr Brown Gee & Loveless, P.C. are certified as the class counsel to the Plaintiff and the Class (“Class Counsel”).

6. The Settlement is found to be fair, reasonable, adequate, and in the best interests of the Class, and is hereby approved pursuant to Utah Rule of Civil Procedure 23(e). The Parties

to the Stipulation are hereby bound by such terms and authorized and directed to comply with and to consummate the Settlement in accordance with its terms and provisions.

7. This Court has jurisdiction over the subject matter of the Action, including all matters necessary to effectuate the Settlement and this Final Order and over all Parties to the Action.

8. The Action and all the claims asserted therein are hereby dismissed on the merits with prejudice as to all Defendants in the Action and against all Class Members on the merits and without fees or costs (except as provided in the Stipulation).

9. This Final Order shall not constitute any evidence or admission by any of the Parties that any acts of wrongdoing have been committed by any of the Parties to the Action and should not be deemed to create any inference that there is any liability therefor.

10. The terms of the Stipulation and this Final Order effectuate a full release of any and all claims, causes of action, demands, rights, suits, matters, issues, obligations, expenses, damages, losses, liabilities, or any other matters, including, but not limited to, claims for negligence, gross negligence, professional negligence, breach of duty of care and/or breach of duty of loyalty and/or breach of duty of candor, fraud, breach of fiduciary duty, mismanagement, corporate waste, malpractice, breach of contract, negligent misrepresentation, violations of any state or federal statutes (including, without limitation, the federal securities laws), rules or regulations, and any Unknown Claims that have been or that could have been asserted in the Action in this or any other forum by or on behalf of the Plaintiffs or Class Members in their capacity as Feihe shareholders (other than those listed on Exhibit A hereto) that relate to the

subject matter of the Action, the Merger, the Merger consideration or process, or the public disclosures concerning the Merger (the “Released Claims”), as well as any claims that have been or could have been asserted in the Action or any forum by Defendants against Plaintiffs, any Class Member, or any of their respective counsel, which arise out of or relate in any way to the institution, prosecution, settlement or dismissal of the Action, including any claims of bad faith or abuse of process against Plaintiffs or Plaintiffs’ Counsel relating to their prosecution of the Action (the “Released Defendant Claims”); *provided, however*, that the Released Claims and Released Defendant Claims shall not include any claims relating to the enforcement of the Settlement or Stipulation.

11. The “Released Parties” are all defendants named in the Action, whether or not they were served with process or appeared in the Action, along with all of their past, current or future spouses, family members, officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns (including the past, current and future officers, directors, employees, owners, general partners, limited partners, partnerships, principals, shareholders, members, managers, agents, attorneys, advisors, accountants, auditors, insurers, trustees, financial advisors, lenders, investment bankers, associates, representatives, related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns of such related entities, direct or indirect parents, subsidiaries, predecessors, successors, affiliates or assigns),

heirs, executors, personal representatives, estates, and administrators, or any trust of which any defendant is the settlor or which is for the benefit of any defendant and/or member(s) of his or her family.

12. Plaintiffs and Defendants acknowledge and understand, and the Class Members shall be deemed to acknowledge and understand, that there is a risk that they may hereafter discover claims that existed but were unknown or unanticipated at the time of the execution of the Stipulation or the entry of this Order, and which, if known, might have materially affected his, her, its, or their decision(s) with respect to the Stipulation or the Settlement. Plaintiffs, Defendants and the Class Members further acknowledge that, by reason of the releases contained herein, they are assuming the risk of Unknown Claims and agree that the Stipulation and this Order apply thereto.

13. With respect to any of the Released Claims and Released Defendant Claims, the Parties stipulate and agree that upon the Effective Date, Plaintiffs and each Defendant shall expressly and each of the Class Members (other than those listed on Exhibit A hereto) shall be deemed to have, and by operation of the Judgment shall have, expressly waived, relinquished and released any and all provisions, rights and benefits conferred by or under Cal. Civ. Code § 1542 or any law of the United States or any state of the United States or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if

known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Defendants acknowledge, and the other Class Members (other than those listed on Exhibit A hereto) by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims and the Released Defendant Claims, but that it is the intention of Plaintiff and Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Claims and Released Defendant Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Plaintiff and Defendants acknowledge, and the other Class Members and other Released Parties by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of “Released Claims” and in the definition of “Released Defendant Claims” was separately bargained for and was a key element of the Settlement and was relied upon by Plaintiffs and Defendants in entering into this Stipulation.

14. The terms of the Stipulation and this Final Order (a) permanently bar, enjoin, and restrain any person or entity, including the insurers, subrogees or assigns of any person or entity, or anyone acting on behalf of the insurers, subrogees, or assigns of any person or entity, from commencing, prosecuting, or asserting any Barred Claims against any of the Released Individual Defendant Parties, whether as claims, cross-claims, counterclaims, third-party claims, or otherwise, and whether asserted in the Action or any other proceeding, in the Court, in any

federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere; and (b) permanently bar, enjoin, and restrain the Defendants from commencing, prosecuting, or asserting any Barred Claims against any person or entity, including the insurers, subrogees or assigns of any person or entity, or anyone acting on behalf of the insurers, subrogees or assigns of any person or entity, whether as claims, cross-claims, counterclaims, third-party claims or otherwise, and whether asserted in the Action or any other proceeding, in the Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere. For purposes of this provision, “Barred Claims” means claims and claims over for contribution or indemnity (or any other claim or claim over for contribution or indemnity however denominated on whatsoever theory), arising out of or related to the claims or allegations asserted by Lead Plaintiffs in the Action, or (ii) any other claim of any type, whether arising under state, federal, common, or foreign law, for which the injury claimed is the actual or threatened liability of any Person, his insurers, subrogees or assigns, or anyone acting on behalf of any Person, his insurers, subrogees or assigns to Lead Plaintiffs and/or Class Members arising out of or related to the claims or allegations asserted by Lead Plaintiffs in the Action. Notwithstanding the above, Barred Claims shall not include any claim or right that any person or entity has or may acquire under any insurance policy where they are an insured. Any final verdict or judgment that may be obtained by or on behalf of the Class Members against any Person subject to this paragraph shall be reduced by the greater of: (i) an amount that corresponds to the percentage of responsibility

of the respective Defendants for common damages; or (ii) the amount paid by or on behalf of the Defendants to the Class Members for common damages.

15. Without further approval from the Court, Class Plaintiffs and Defendants (a) are hereby authorized to agree to and adopt such amendments, modifications, and expansions of the Stipulation and/or any of the Exhibits attached thereto to effectuate the Settlement that are not materially inconsistent with this Final Order and/or that do not materially limit the rights of Class Members under the Stipulation; and (b) may agree to reasonable extensions of time to carry out the provisions of the Settlement.

16. Separate orders shall be entered regarding the proposed Plan of Allocation and Plaintiffs' Counsel's motion for attorneys' fees and expenses. Any plan of allocation proposed by Plaintiffs' Counsel or any order entered regarding any attorneys' fee and expense application shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

17. Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity or lack thereof of any Released Claim, or of any wrongdoing or liability of the Defendants; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any of the Defendants in any proceeding of any sort in any court, administrative agency or other tribunal, other than in such proceedings as may be necessary to consummate or enforce the Stipulation or the Settlement provided therein, or this Judgment.

Defendants may file the Stipulation and/or this Judgment in any action that has been brought or may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

18. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation (including as it may be amended by the Parties with approval of the Court), then this Judgment shall be rendered null and void to the extent provided by, and in accordance with, the Stipulation, and this Judgment shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

19. The Court finds that during the course of the Action, the Parties and their respective counsel at all times acted professionally and in compliance with Utah Rule of Civil Procedure 11, and all other similar statutes or court rules with respect to any claims or defenses in the Action.

20. [The Court has considered the objections to the Settlement made by _____ and the papers filed in support of those objections. The Court finds those objections not to be meritorious, and they are hereby overruled.]

21. Without affecting the finality of this Final Order, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of the administration, interpretation, implementation and enforcement of the Settlement; (b) the disposition of the Settlement Fund

and the Net Settlement Fund; (c) the Class Members for all matters relating to the Action; and (d) any motion(s) for distribution to the Class.

22. There is no just reason to delay the entry of this Final Order. Accordingly, immediate entry of this Final Order by the Register is expressly directed.

Entered as Executed at the Top of the First Page of This Order.